

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

OLD SQUAWS CROSSING UNIT II

8. Lease Name and Well No.

OLD SQUAWS CROSSING UNIT II 116-27

9. API Well No.

43047-37680

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 27, T10S, R19E,
S.L.B.&M.**

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815**

VERNAL, UT 84078

3b. Phone No. (Include area code)

(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface

2412' FSL, 744' FEL

At proposed prod. Zone

NE/SE

- 109. 760721

14. Distance in miles and direction from nearest town or post office*

21.76 MILES SOUTHWEST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest

744'

property or lease line, ft.

(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

640

17. Spacing Unit dedicated to this well

40

18. Distance from proposed location*

to nearest well, drilling, completed,

applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8320'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5326.4 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

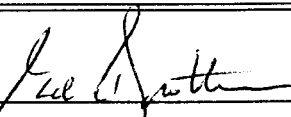
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature



Name (Printed/Typed)

Ed Trotter

Date

January 19, 2006

Title

Agent

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL MANAGER**

Date

03-23-06

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

FEB 02 2006

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

DIV. OF OIL, GAS & MINING

T10S, R19E, S.L.B.&M.

1956 Brass Cap,
1.2' High, Pile
of Stones

S89°57'21"W - 2642.10' (Meas.)

S89°57'10"W - 2642.68' (Meas.)

1956 Brass Cap,
0.5' High, Pile
of Stones, Sign
& Post

1956 Brass Cap, 0.8'
High, Set Stone, Pile
of Stones, Sign &
Post

S00°57'55"E - 2660.36' (Meas.)

N00°34'30"W - 2667.05' (Meas.)

S00°58'19"E - 2659.58' (Meas.)

1956 Brass Cap,
0.8' High, Pile
of Stones

27
OLD SQUAWS CROSSING
UNIT II #116-27
Elev. Ungraded Ground = 5328'

744'

2412'

1956 Brass Cap,
Flush W/ Mound.

1956 Brass Cap,
0.6' High, Pile
of Stones

N89°54'13"W - 2624.27' (Meas.)

N89°54'31"W - 2624.89' (Meas.)

1956 Brass Cap,
Pile of Stones, 0.8'
High, E-W Fenceline

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°55'02.86" (39.917461)

LONGITUDE = 109°45'41.13" (109.761425)

(NAD 27)

LATITUDE = 39°55'02.99" (39.917497)

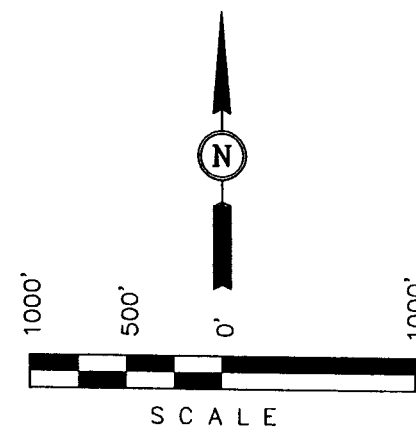
LONGITUDE = 109°45'38.63" (109.760731)

EOG RESOURCES, INC.

Well location, OLD SQUAWS CROSSING UNIT II #116-27, located as shown in the NE 1/4 SE 1/4 of Section 27, T10S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S.L.B.&M. TAKEN FROM THE BIG PACK MNT. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Key

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 06-21-05	DATE DRAWN: 06-24-05
PARTY T.B. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	



EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

March 21, 2006

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception to Location
and Siting of Wells
Old Squaws Crossing Unit II 116-27
NE/4SE/4 of Sec. 27-10S-19E, SLM
Uintah County, Utah
Old Squaw's Crossing Prospect
1560-G06, 0050724-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") proposes and respectfully requests permission to drill the Old Squaws Crossing Unit II 116-27, an 8,320' Wasatch/Mesaverde test well, at a location 2,412' FSL, 744' FEL (NE/4SE/4) of Section 27, Township 10 South, Range 19 East, SLM, Uintah County, Utah, which is not a location at which a well could be drilled in compliance with General Rule R649-3-2.

The subject Old Squaws Crossing Unit II 116-27 location was selected based on geology and could not be staked at a legal location in accordance with General Rule R649-3-2 due to the off-pattern locations of existing Wasatch wells located in the E/2E/2 of Section 27, Township 10 South, Range 19 East. Therefore, EOG is requesting this exception location.

Enclosed herewith is a copy of the survey plat for the proposed well and another plat labeled Exhibit "A" which depicts the outlines of the 40-acre drilling units established in General Rule R649-3-2, the location at which EOG requests permission to drill the proposed Old Squaws Crossing Unit II 116-27 well, and the Wasatch/Mesaverde formation wells which have been drilled within the area. EOG is the owner of 100% record title and operating rights in all depths within a 460' radius of the proposed Old Squaws Crossing Unit II 116-27 well (see Exhibit "B" enclosed).

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MAR 23 2006

DIV. OF OIL, GAS & MINING

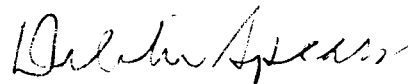
Division of Oil, Gas and Mining
March 21, 2006
Page 2 of 2

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Wasatch/Mesaverde formation well described herein at its earliest opportunity.

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

EOG RESOURCES, INC.

A handwritten signature in black ink, appearing to read "Debbie Spears", is written over the typed name.

Debbie Spears
Lead Land Technician

/das

Enclosures

M:\das\exception\location\OSC116-27.doc

cc: Ed Trotter (with copies of enclosures)
Denver Well File

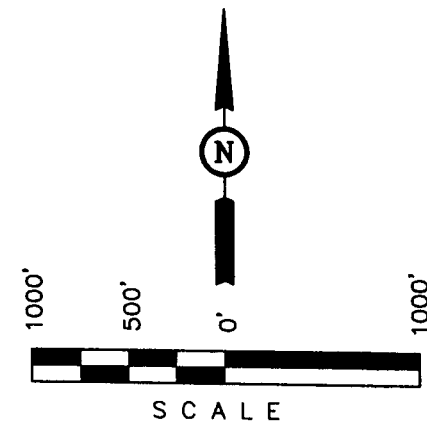
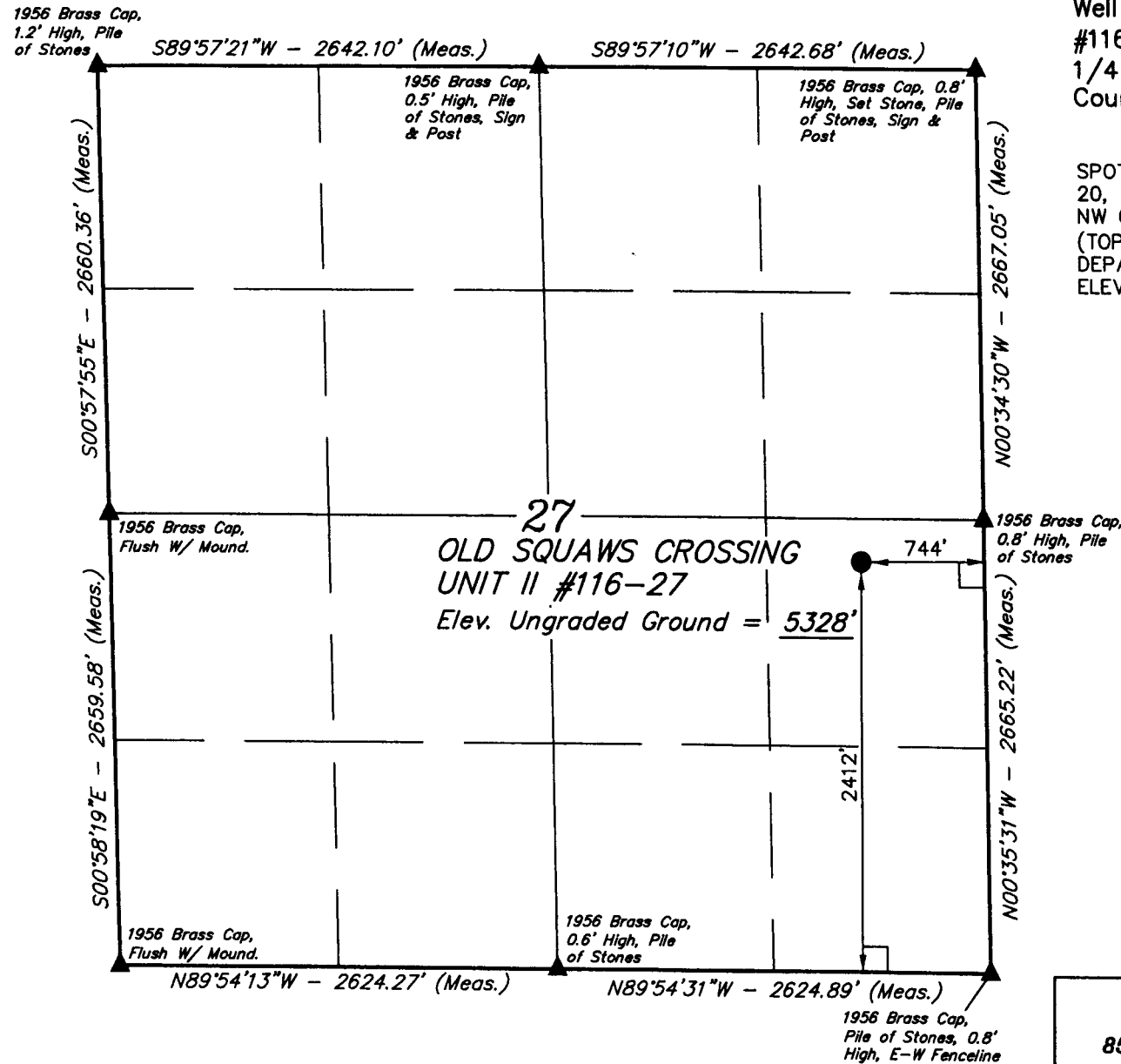
T10S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, OLD SQUAWS CROSSING UNIT II #116-27, located as shown in the NE 1/4 SE 1/4 of Section 27, T10S, R19E, S.L.B.&M. Uintah County, Utah.

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John H. Hay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 101319
STATE OF UTAH

LEGEND:

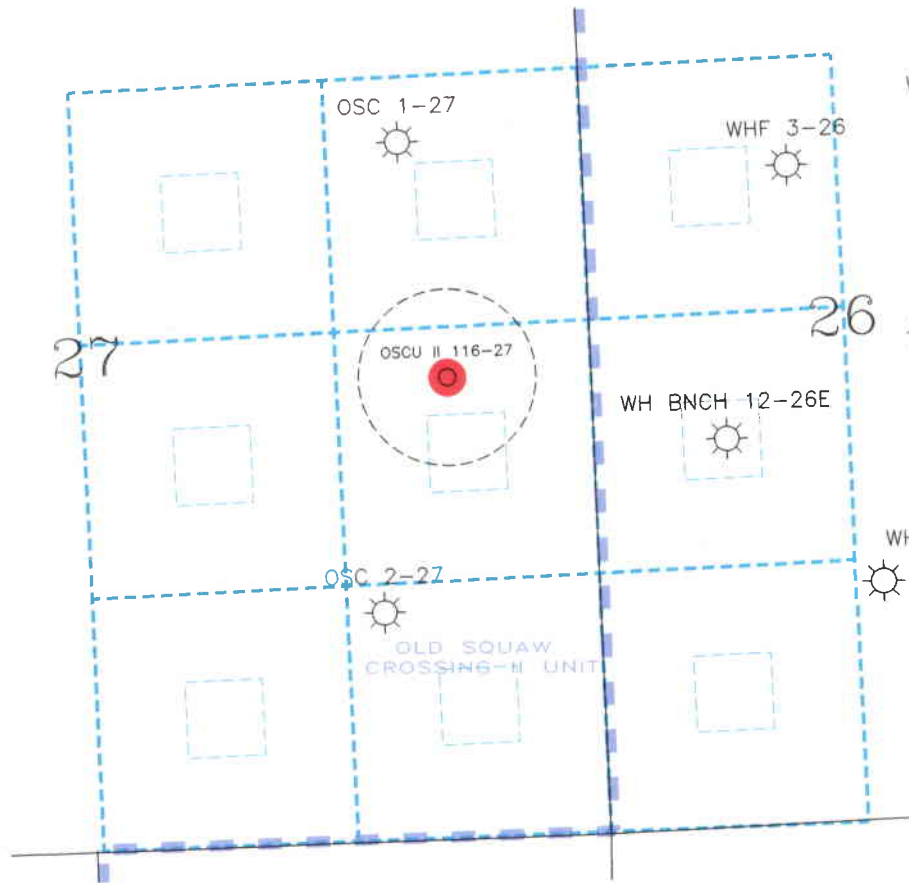
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UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
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SCALE 1" = 1000'	DATE SURVEYED: 06-21-05	DATE DRAWN: 06-24-05
PARTY T.B. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

R 19 E




----- Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2

 Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.

 460' Radius

   Locations at which oil or gas wells have been drilled

 Location at which applicant requests permission to drill the proposed Old Squaws Crossing Unit II 116-27 Well 2412' FSL, 744' FEL (NESE) of Sec. 27, T10S, R19E

Scale: 1"=1000'
0 1/4 1/2 Mile



Exhibit "A"

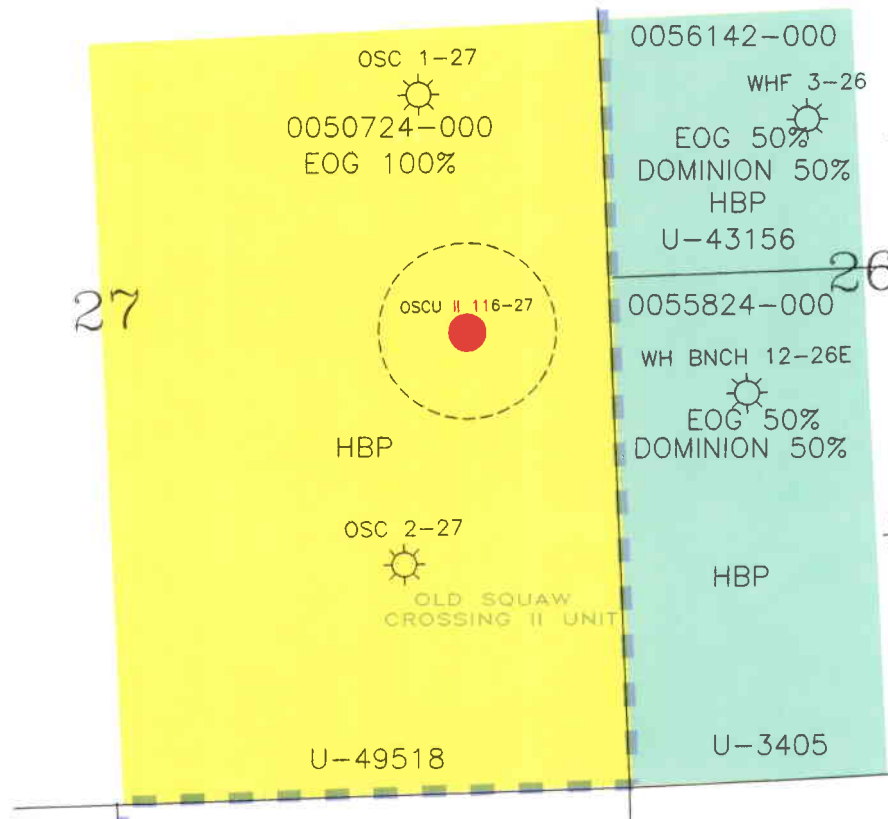


Denver Division

Application for
Exception Well Location
Old Squaws Crossing Unit II 116-27 Well
UINTAH COUNTY, UTAH

Scale: 1"=1000'	Dr: Utah/Exception_plateh and 10s 19e-27.dwg exc. A. 40	Author gt	Mar 16, 2006 - 10:02am
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R 19 E



T 10 S



EOG 100% Working Interest



EOG 50%, DOMINION 50% Working Interest



Location at which applicant requests permission to drill the proposed Old Squaws Crossing Unit II 116-27 Well 2412' FSL, 744' FEL (NESE) of Sec. 27, T10S, R19E

Scale: 1"=1000'



Exhibit "B"



eog resources

Denver Division

Application for
Exception Well Location

Old Squaws Crossing Unit II 116-27 Well

UINTAH COUNTY, UTAH

Scale: 1"=1000'

D:\utah\exception_plats\exc10s19e-27.dwg
exc_B_40

Author

Mar 21, 2006 -
1:18pm

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

February 3, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Old Squaws Crossing II Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Old Squaws Crossing II, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-37680 OSCU II 116-27 Sec 27 T10S R19E 2412 FSL 0744 FEL
43-047-37678 OSCU II 122-27 Sec 27 T10S R19E 0715 FNL 2097 FEL
43-047-37679 OSCU II 124-27 Sec 27 T10S R19E 0666 FSL 0722 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Old Squaws Crossing II Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

January 19, 2006

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
OLD SQUAWS CROSSING UNIT II 116-27
NE/SE, SEC. 27, T10S, R19E
UINTAH COUNTY, UTAH
LEASE NO.: U-49518
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED
FEB 02 2006

EIGHT POINT PLAN
OLD SWUAWA CROSSING UNIT 11 116-27
NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,668'
Wasatch	4,493'
Chapita Wells	5,140'
Buck Canyon	5,854'
North Horn	6,617'
KMV Price River	8,123'

Estimated TD: **8,320' or 200'± below Price River top**

Anticipated BHP: 4,325 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

							<u>RATING FACTOR</u>		
	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE /BURST/ TENSILE</u>		
Conductor:	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/ 9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
OLD SWUAWA CROSSING UNIT 11 116-27
NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.0 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length.

Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

EIGHT POINT PLAN
OLD SWUAWS CROSSING UNIT 11 116-27
NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead: 122 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 760 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

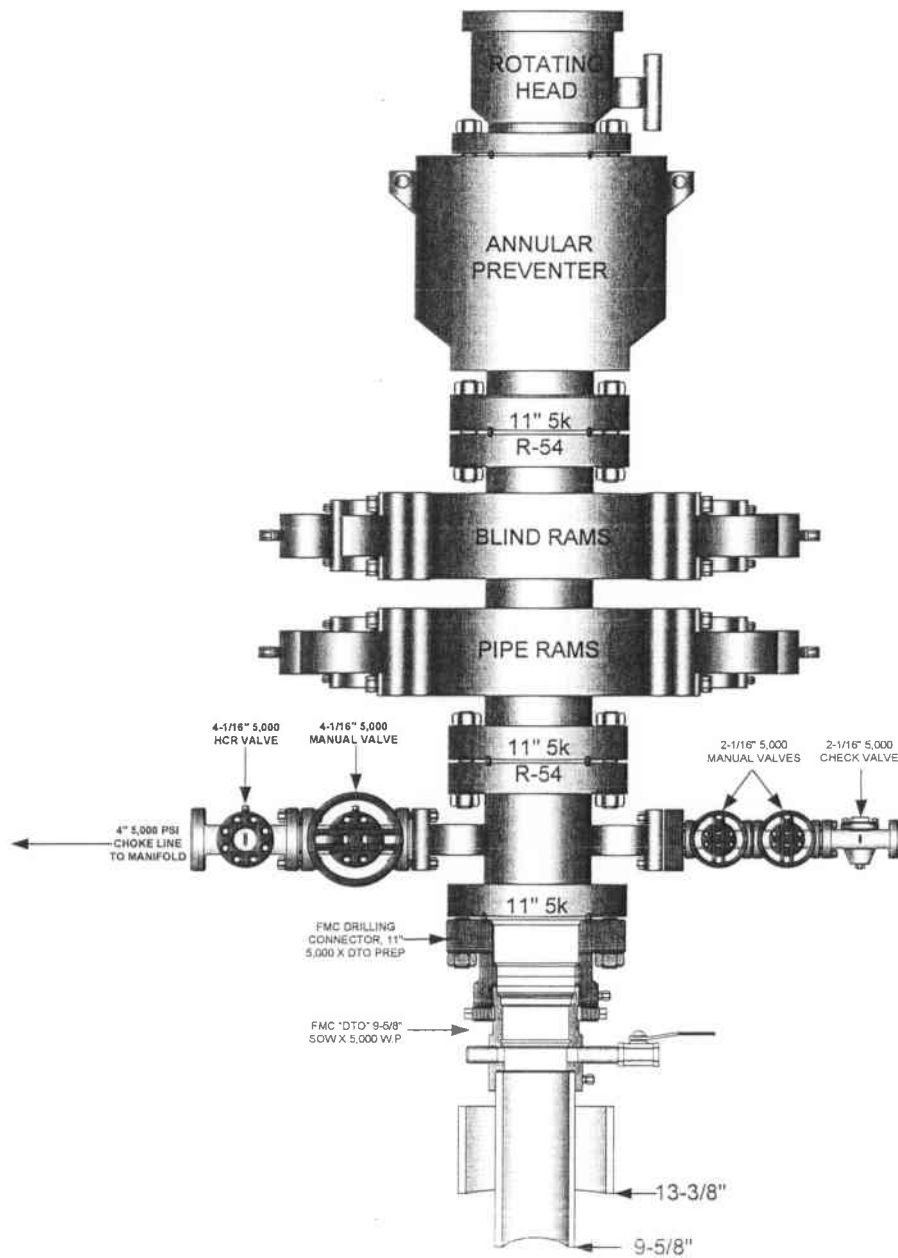
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

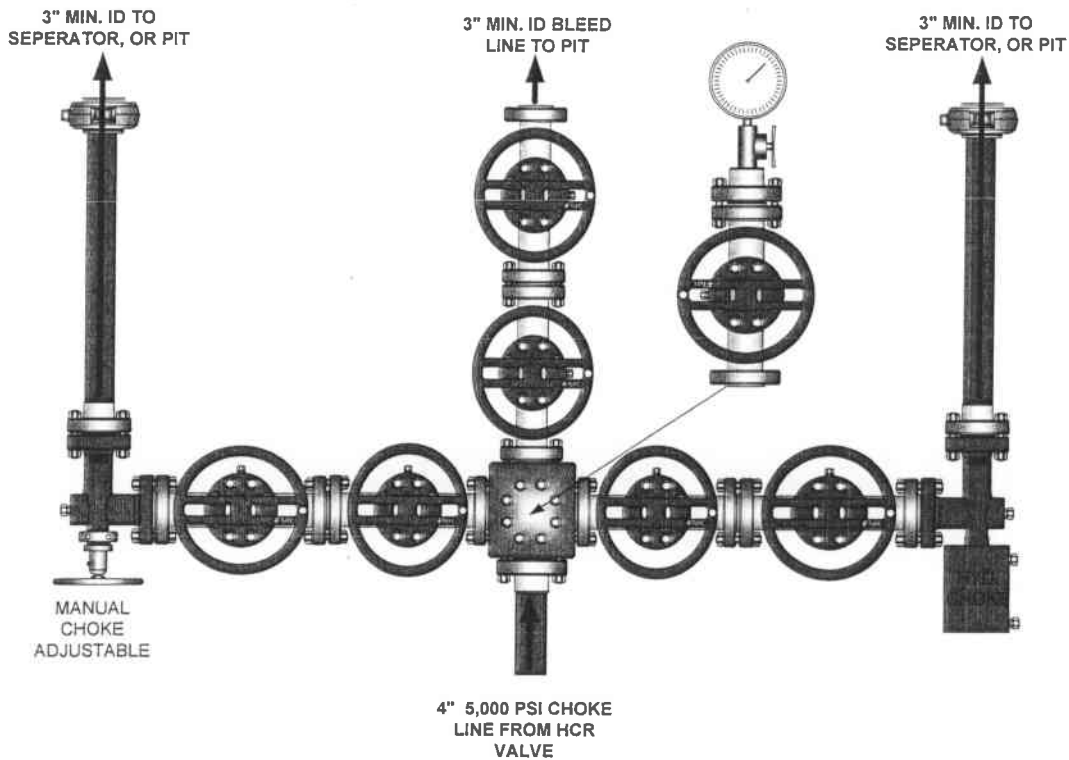
EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Old Squaws Crossing Unit II 116-27</u>
Lease Number:	<u>U-49518</u>
Location:	<u>2412' FSL & 744' FEL, NE/SE, Sec. 27,</u> <u>T10S, R19E, S.L.B.&M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 21.76 miles southwest of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 330 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 1*
- B. Producing wells - 22*
- C. Shut in wells - 2*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1029' from proposed location to a point in the NE/SE of Section 27, T10S, R19E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Old Squaws Crossing Unit II, thus a Right-of -Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the West side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee.

All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc.

drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 mill plastic liner.

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
Hi-Crest Crested Wheatgrass – 9 pounds per acre
Kochia Prostrata – 3 pounds per acre.

The final abandonment seed mixture for this location is:

- Gardner Salt Bush – 4 pounds per acre
Shad Scale – 3 pounds per acre
Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the West side of the location. The flare pit will be located downwind of the prevailing wind direction on the North side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Northeast of Corner #5. The stockpiled location topsoil will be stored Southwest of Corner #6. Upon completion of construction, the stockpiled

topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the East.

Corners #2 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

- X No construction of access road or location shall be conducted during wet weather due to critical soils stipulations.**

The existing fence will be re-routed around the South side of the location. The fence will be constructed according to BLM standards, with H-braces and wood post corners.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

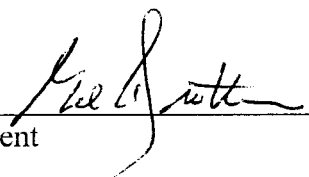
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Old Squaws Crossing Unit II 116-27 Well, located in the NE/SE of Section 27, T10S, R19E, Uintah County, Utah; Lease #U-49518;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

1-19-2006
Date


Agent

EOG RESOURCES, INC.
OLD SQUAWS CROSSING UNIT II #116-27
SECTION 27, T10S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 330' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.7 MILES.

EOG RESOURCES, INC.
OLD SQUAWS CROSSING UNIT II #116-27
LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T10S, R19E, S.L.B.&M.

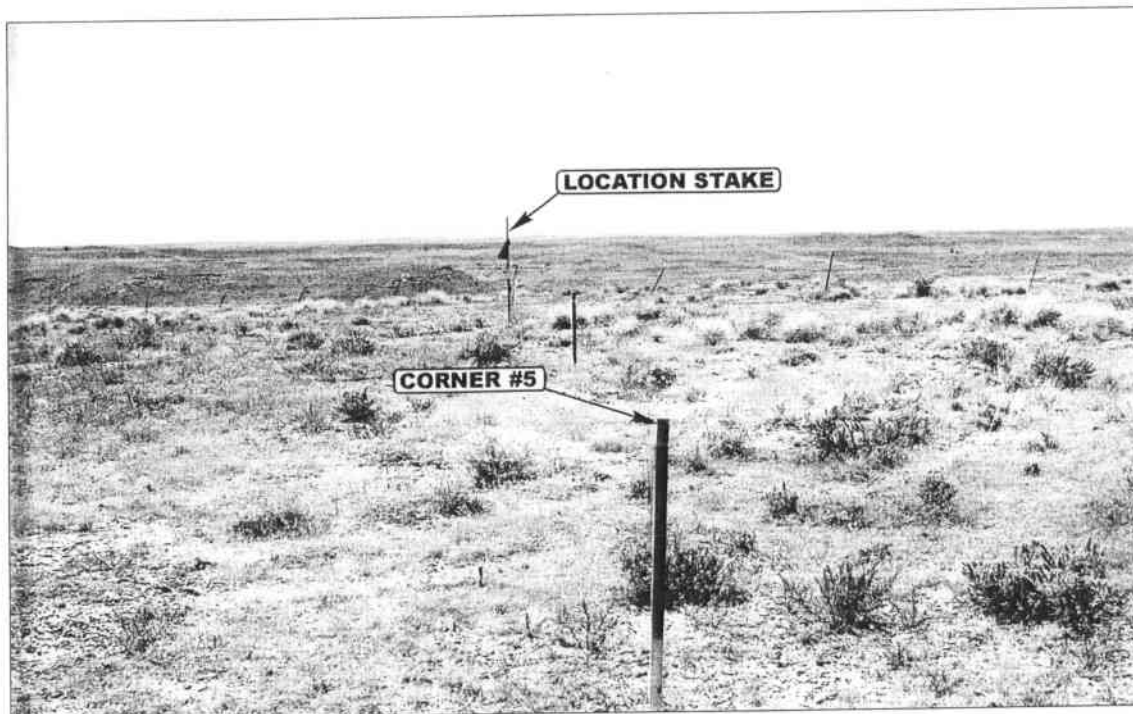


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



Since 1964

E&L

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

06 29 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: S.L.

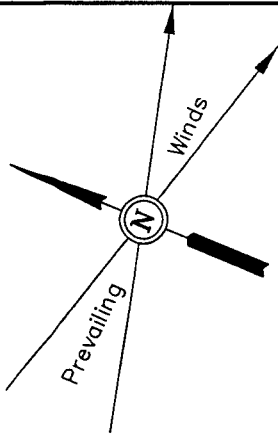
REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

OLD SQUAWS CROSSING UNIT II #116-27
SECTION 27, T10S, R19E, S.L.B.&M.
2412' FSL 744' FEL

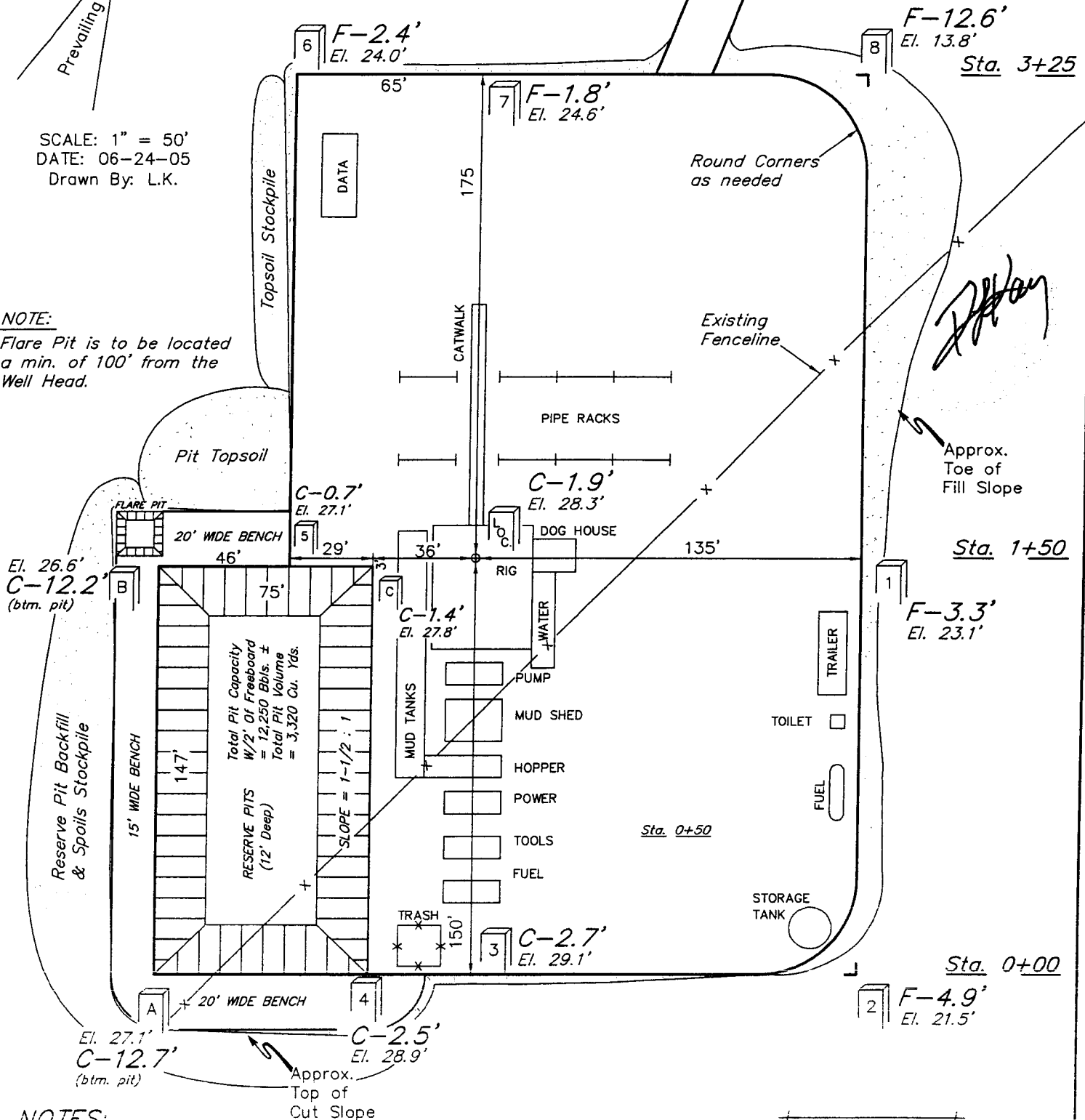
Proposed Access Road



SCALE: 1" = 50'
DATE: 06-24-05
Drawn By: L.K.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5328.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 5326.4'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

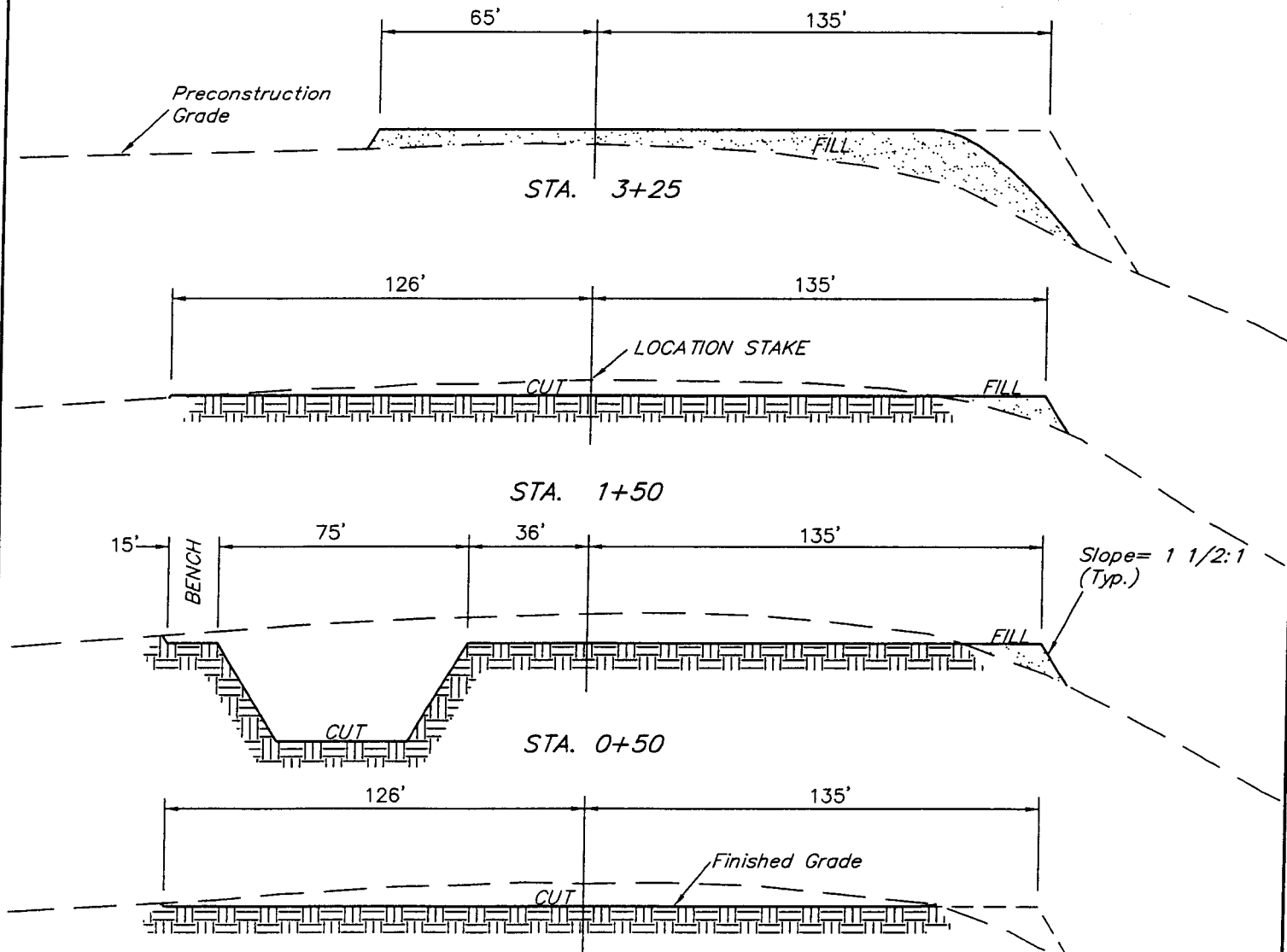
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR OLD SQUAWS CROSSING UNIT II #116-27 SECTION 27, T10S, R19E, S.L.B.&M. 2412' FSL 744' FEL

1" = 20'
X-Section
Scale
1" = 50'
DATE: 06-24-05
Drawn By: L.K.

[Handwritten Signature]



NOTE:
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

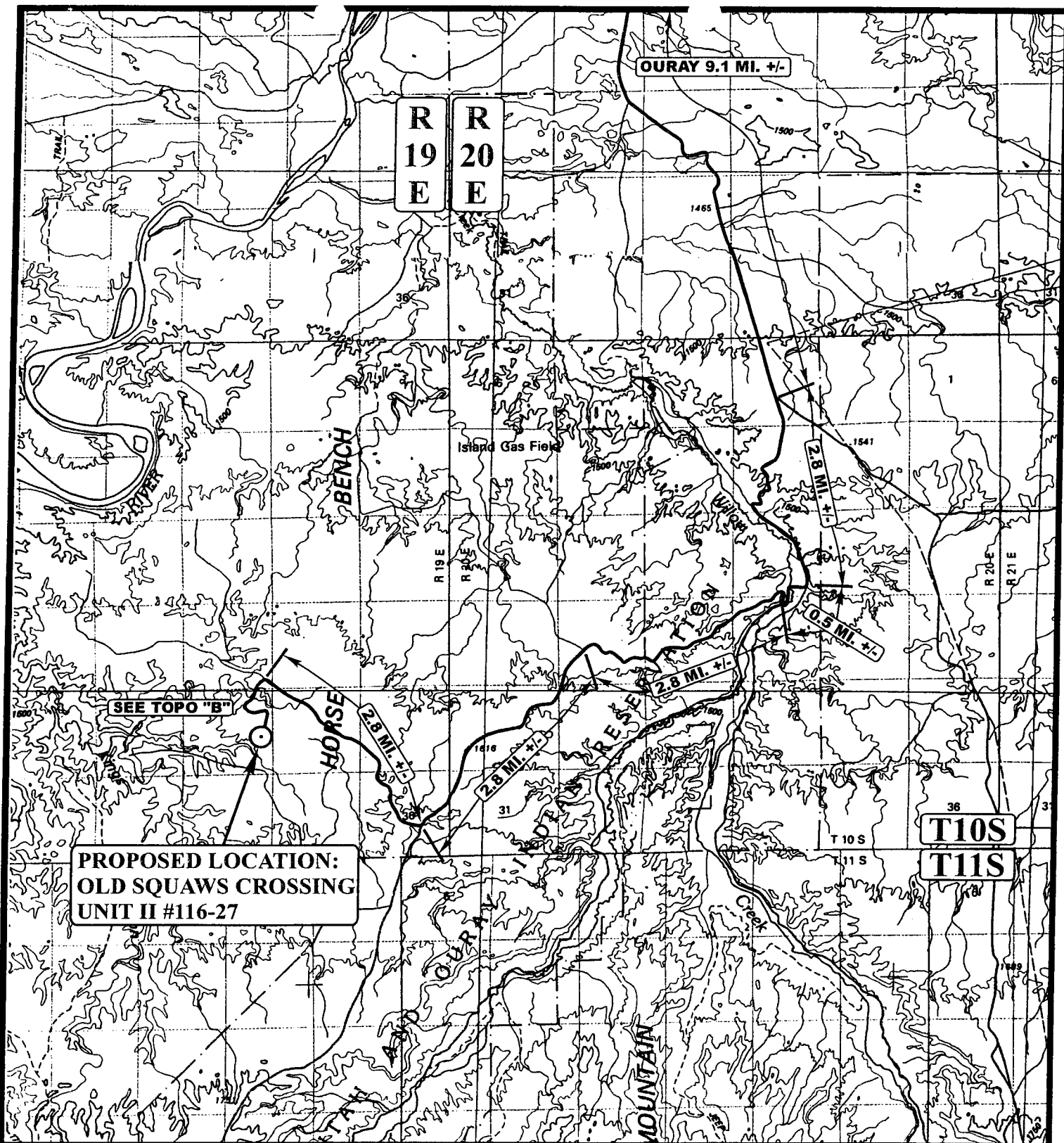
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,600 Cu. Yds.
Remaining Location = 5,910 Cu. Yds.

TOTAL CUT = 7,510 CU.YDS.
FILL = 4,250 CU.YDS.

EXCESS MATERIAL = 3,260 Cu. Yds.
Topsoil & Pit Backfill = 3,260 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

EOG RESOURCES, INC.

OLD SQUAWS CROSSING UNIT II #116-27
SECTION 27, T10S, R19E, S.L.B.&M.
2412' FSL 744' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



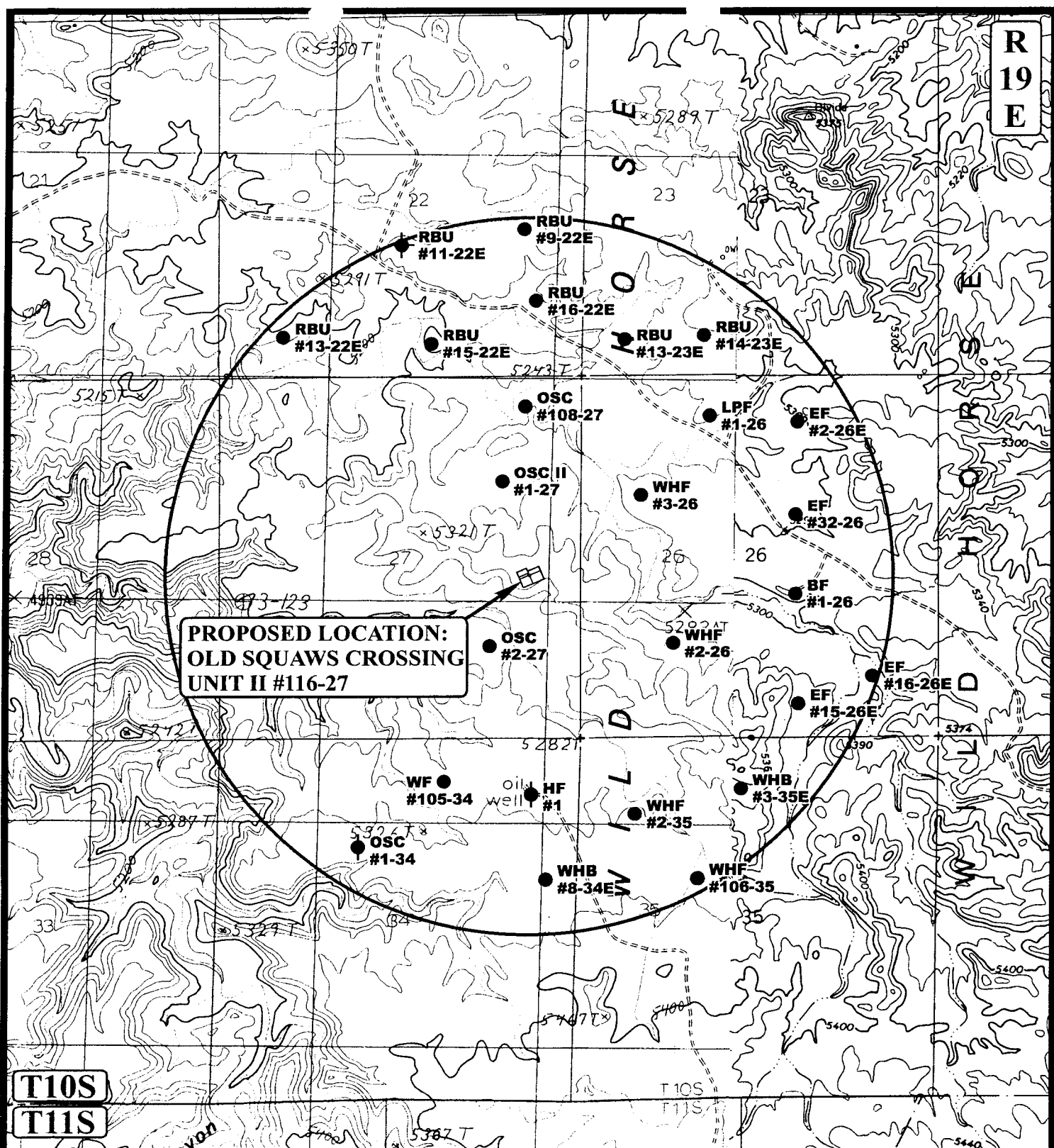
TOPOGRAPHIC MAP

06	29	05
MONTH	DAY	YEAR

SCALE: 1:100,000 **DRAWN BY: S.L.** **REVISED: 00-00-00**



R
19
E



T10S
T11S

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

EOG RESOURCES, INC.

OLD SQUAWS CROSSING UNIT II #116-27
 SECTION 27, T10S, R19E, S.L.B.&M.
 2412' FSL 744' FEL

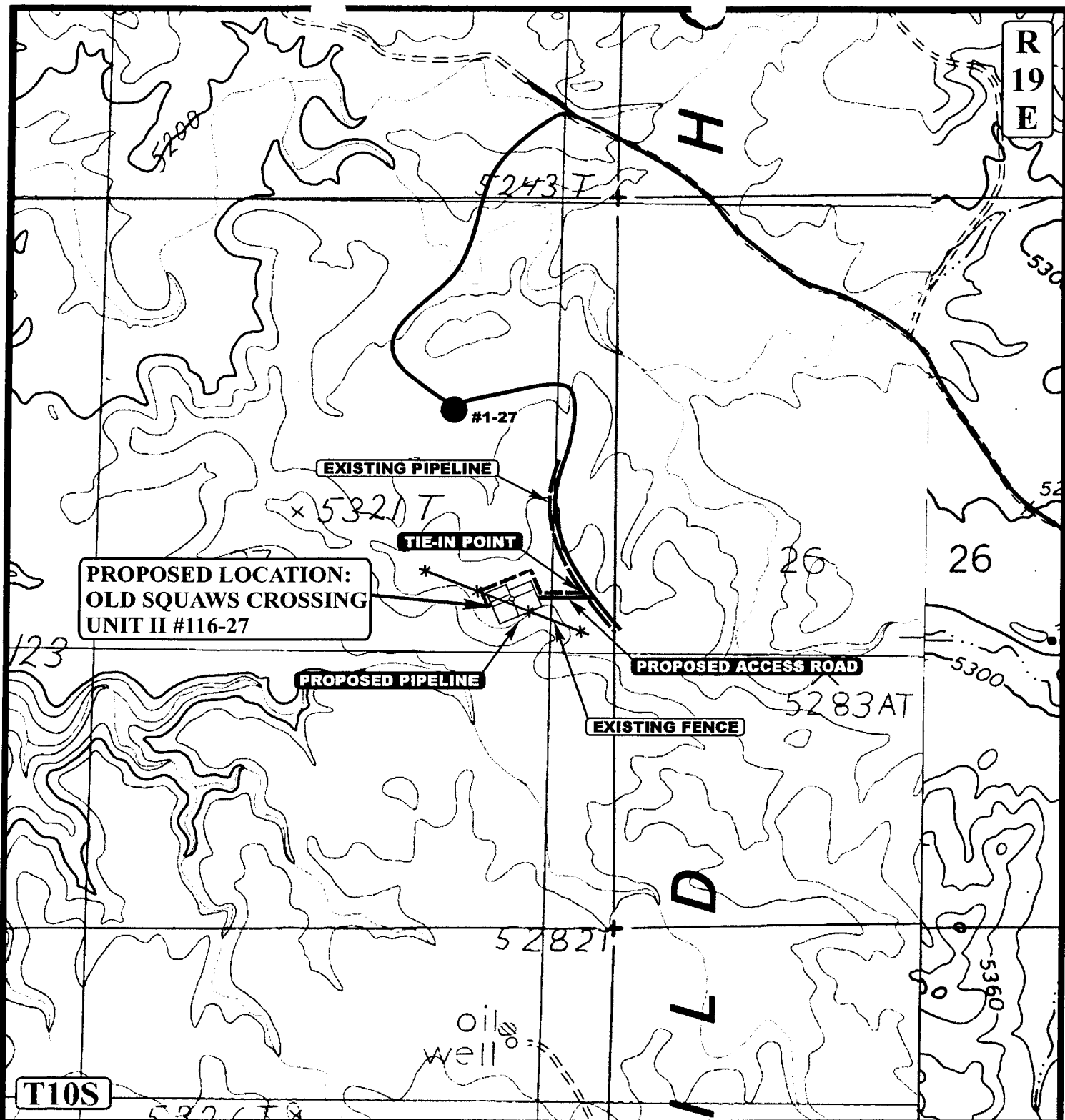


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC		06	29	05
MAP		MONTH	DAY	YEAR
SCALE: 1" = 2000'		DRAWN BY: S.L.		REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,029' +/-

LEGEND:

PROPOSED ACCESS ROAD
 EXISTING PIPELINE
 PROPOSED PIPELINE

EOG RESOURCES, INC.

OLD SQUAWS CROSSING UNIT II #116-27
SECTION 27, T10S, R19E, S.L.B.&M.
2412' FSL 744' FEL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 06 29 05
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/02/2006

API NO. ASSIGNED: 43-047-37680

WELL NAME: OSCU II 116-27

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NESE 27 100S 190E

SURFACE: 2412 FSL 0744 FEL

BOTTOM: 2412 FSL 0744 FEL

COUNTY: Uintah

LATITUDE: 39.91740 LONGITUDE: -109.7607

UTM SURF EASTINGS: 605916 NORTHINGS: 4419114

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-49518

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: OLD SQUAWS CROSSING II
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approved

2- Spacing Slip



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 23, 2006

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Old Squaws Crossing Unit II 116-27 Well, 2412' FSL, 744' FEL, NE SE,
Sec. 27, T. 10 South, R. 19 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37680.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Old Squaws Crossing Unit II 116-27
API Number: 43-047-37680
Lease: U-49518

Location: NE SE **Sec.** 27 **T.** 10 South **R.** 19 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB 01 2006

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

OLD SQUAWS CROSSING UNIT II

8. Lease Name and Well No.

OLD SQUAWS CROSSING UNIT II 116-27

9. API Well No.

43-047-37680

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

SEC. 27, T10S, R19E,
S.L.B.&M.

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

EOG RESOURCES, INC.

3a. Address P.O. BOX 1815

VERNAL, UT 84078

3b. Phone No. (Include area code)

(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 2412' FSL, 744' FEL

NE/SE

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*

21.76 MILES SOUTHWEST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. 744'
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

640

17. Spacing Unit dedicated to this well

40

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8320'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5326.4 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Ed Trotter
Agent

Name (Printed/Typed)

Ed Trotter

Date

January 19, 2006

Approved by (Signature)

Title

Assistant Field Manager
Lands & Mineral Resources

Name (Printed/Typed)

JERRY KENCZKA

Office

VERNAL FIELD OFFICE

Date

DIV. OF OIL, GAS & MINING
8-30-2006

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	EOG Resources	Location:	NESE, Sec 27, T10S, R19E
Well No:	OSCU II 116-27	Lease No:	UTU-49518
API No:	43-047-37680	Agreement:	Old Squaws Crossing Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chris Carusona	Office: 435-781-4441	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number:	435-781-4513	Fax:	435-781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | |
|---|---|
| Location Construction
(Notify Paul Buhler) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify Paul Buhler) | - Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Jamie Sparger) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings |
| BOP & Related Equipment Tests
(Notify Jamie Sparger) | - Twenty-Four (24) hours prior to initiating pressure tests |
| First Production Notice
(Notify Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

Conditions for Approval are in the APD

- Construct one high water crossing with a 36" culvert where the access road crosses the major wash.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the resspreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- During interim management of the surface, use the following seed mix:
 - 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Variance is granted for Onshore Order #2 III.E. Special Drilling Operations. Blooie line for drilling of surface may be 75' instead of 100'.
- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.
- A CBL shall be run from TD to the surface casing shoe.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the

end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-49518
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No. Old Squaws Crossing Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2412' FSL & 744' FEL (NE/SE) Sec. 27-T10S-R19E 39.917461 LAT 109.761425 LON		8. Well Name and No. Old Squaws Crossing Unit II 116-27
		9. API Well No. 43-047-37680
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/MV
		11. County or Parish, State Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change TD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to change the TD on the referenced well

From: 8320'

To: 10,390'

Attached is a revised drilling plan.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 9/29/06
Initials: DM

Date: 09-27-06

By: [Signature]

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

[Signature: Mary A. Maestas]

Date

09/13/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED
SEP 15 2006

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

OLD SWUAWS CROSSING UNIT 11 116-27 NE/SE, SEC. 27, T10S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,665'
Wasatch	4,495'
Chapita Wells	5,130'
Buck Canyon	5,848'
North Horn	6,687'
KMV Price River	8,144'
KMV Price River Middle	9,071'
KMV Price River Lower	9,819'
Sego	10,188'
KMV Castlegate	10,288'

Estimated TD: 10,390' or 200'± below Price River top

Anticipated BHP: 5,675 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-¾"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/ 9-¾" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.
All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN

OLD SWUAWS CROSSING UNIT 11 116-27 **NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.0 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs:	Mud log from base of surface casing to TD.
Cased-hole Logs:	Cased-hole logs will be run in lieu of open-hole logs consisting of the following: Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

OLD SWUAWS CROSSING UNIT 11 116-27 **NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 125 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 1135 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

OLD SWUAWS CROSSING UNIT 11 116-27
NE/SE, SEC. 27, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**2412' FSL & 744' FEL (NE/SE)
Sec. 27-T10S-R19E 39.917461 LAT 109.761425 LON**

5. Lease Serial No.

U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Old Squaws Crossing Unit

8. Well Name and No.

Old Squaws Crossing Unit II 116-27

9. API Well No.

43-047-37680

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch/MV

11. County or Parish, State

Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Polyswell	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to spread ten (10) - 25 lb. buckets of Polyswell in the reserve pit. The Polyswell will be placed on the ground covered with two layers of felt and a 12 mil pit liner. Placing Polyswell in the bottom of the reserve pit will create a moisture barrier, adding an additional containment measure.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

10/13/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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(Instructions on page 2)

RECEIVED

OCT 16 2006

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: OSC U II 116-27

Api No: 43-047-37680 Lease Type: FEDERAL

Section 27 Township 10S Range 19E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

SPUDDED:

Date 10/27/06

Time 1:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY

Telephone # (435) 828-1720

Date 10/27/06 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: P.O. BOX 1815
city VERNAL
state UT zip 84078

Operator Account Number: N 9550
Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36925	CHAPITA WELLS UNIT 1033-19		SWNE	19	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15751	10/30/2006		11/8/06		
Comments: <u>PRPV = MURD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37680	OLD SQUAWS CROSSING UNIT II 116-27		NESE	27	10S	19E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	10687	10/27/2006		11/8/06		
Comments: <u>CSLGT = MURD = WSMVD</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36961	CHAPITA WELLS UNIT 1069-33		NWNE	33	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15752	10/26/2006		11/8/06		
Comments: <u>PRPV = MURD</u>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Carrie MacDonald

Signature

Operations Clerk

11/8/2006

Title

Date

RECEIVED

NOV 08 2006

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**2412' FSL & 744' FEL (NESE)
Sec. 27-T10S-R19E 39.917461 LAT 109.761425 LON**

5. Lease Serial No.

U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Old Squaws Crossing Unit

8. Well Name and No.

Old Squaws Crossing Unit II 116-27

9. API Well No.

43-047-37680

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch/Mesaverde

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Ace Disposal**
- 3. RN Industries**

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature

Carrie MacDonald

Date

11/8/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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(Instructions on page 2)

RECEIVED

NOV 13 2006

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OMB No. 1004-0137
Expires: March 31, 2007

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Old Squaws Crossing Unit II 116-27

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43-047-37680

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Natural Buttes/Wasatch/Mesaverde

11. County or Parish, State
Uintah County, Utah

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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The referenced well spud on 10/27/06.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature

Carrie MacDonald

Date

11/8/06

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2412' FSL & 744' FEL (NE/SE)
Sec. 27-T10S-R19E 39.917461 LAT 109.761425 LON

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Old Squaws Crossing Unit

8. Well Name and No.
Old Squaws Crossing Unit II 116-27

9. API Well No.
43-047-37680

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Natural Buttes/Wasatch/MV

11. County or Parish, State
Uintah County, UT

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

EOG Resources, Inc. operates under Nationwide Bond #2308

SENT TO OPERATOR
3-26-07
RM

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date

02/26/2007

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Accepted by the
Title
Utah Division of
Oil, Gas and Mining

Date

Federal Approval Of This
Action Is Necessary

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(Instructions on page 2)

By:

[Signature]

RECEIVED

FEB 27 2007

DIV. OF OIL, GAS & MINING

STATE OF COLORADO)

) ss

COUNTY OF DENVER)

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant for EOG Resources, Inc. EOG Resources, Inc. is the operator of the following described well:

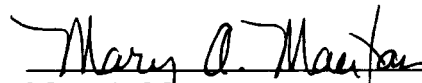
**Old Squaws Crossing Unit II 116-27
2412' FSL - 744' FEL (NESE)
SECTION 27, T10S, R19E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., and Dominion Exploration & Production, Inc. are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 26th day of February, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Dominion Exploration & Production, Inc.

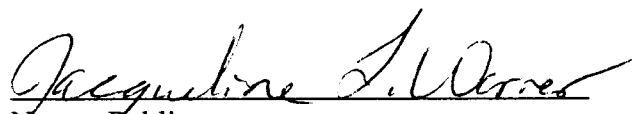
Further affiant saith not.



Mary A. Maestas
Regulatory Assistant

Subscribed and sworn before me this 26th day of February, 2007.

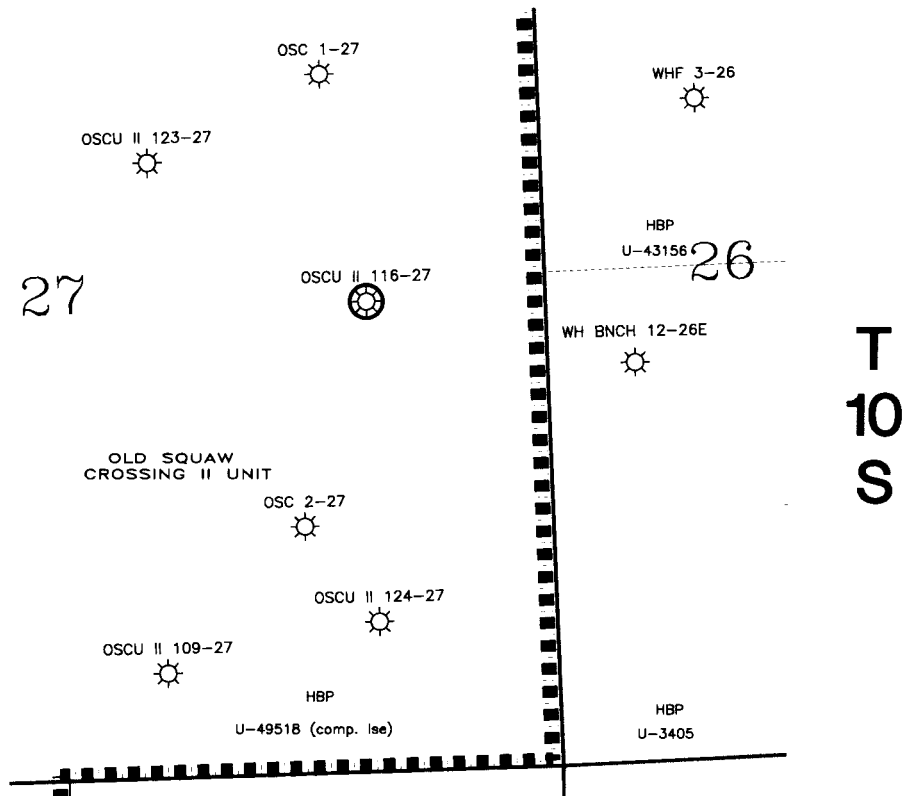




Notary Public

My Commission Expires 2/13/2010

R 19 E



○ OSCU II 116-27

Scale: 1"=1000'

0 1/4 1/2 Mile



Geog resources

Denver Division

EXHIBIT "A"

OSCU II 116-27

Commingling Application
Uintah County, Utah

Scale: 1"=1000'

D:\utah\Commingling\page_OSCU_II_116-27_commingling.doc

Author

TLM

Feb 23, 2007 - 12:01pm

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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The referenced well was turned to sales on 3/4/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date

03/05/2007

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(Instructions on page 2)

RECEIVED

MAR 09 2007

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 03-05-2007

Well Name	OSCU II 116-27	Well Type	DEVG	Division	DENVER
Field	OLD SQUAW'S CROSSING	API #	43-047-37680	Well Class	COMP
County, State	UINTAH, UT	Spud Date	01-22-2007	Class Date	
Tax Credit	N	TVD / MD	10,390/ 10,390	Property #	056103
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,345/ 5,326				
Location	Section 27, T10S, R19E, NESE, 2412 FSL & 744 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	87.5

AFE No		303280		AFE Total		1,439,800		DHC / CWC		770,200/ 669,600													
Rig Contr		PIONEER		Rig Name		PIONEER #59		Start Date		03-16-2006		Release Date		02-07-2007									
03-16-2006		Reported By		CINDY VAN RANKEN																			
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	LOCATION DATA: 2412' FSL & 744' FEL (NE/SE) SECTION 27, T10S, R19E UINTAH COUNTY, UTAH
-------	-------	------	---

LAT 39.917497, LONG 109.760731 (NAD 27)
LAT 39.917461, LONG 109.761425 (NAD 83)

PIONEER RIG #59
OBJECTIVE: 10,390' TD, MESAVERDE PRICE RIVER
DW/GAS
OLD SQUAWS CROSSING PROSPECT
DD&A: OLD SQUAWS CROSSING AREA
NATURAL BUTTES FIELD

LEASE: U-49518
ELEVATION: 5328.3' NAT GL, 5326.4' PREP GL (DUE TO ROUNDING 5326' IS THE PREP GL), 5345' KB (19')

EOG WI 100%, NRI 87.5%

09-22-2006	Reported By	TERRY CSERE
-------------------	--------------------	-------------

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION.

09-25-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCK DRILL ON LOCATION.

09-27-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING PIT.

09-28-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

09-29-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING.

10-02-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
				0
Formation :		PBTD : 0.0	Perf :	
			PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING 80%.

10-03-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
				0
Formation :		PBTD : 0.0	Perf :	
			PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

10-04-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
				0
Formation :		PBTD : 0.0	Perf :	
			PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT. 60% COMPLETE.

10-05-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
				0
Formation :		PBTD : 0.0	Perf :	
			PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT 80% COMPLETE.

10-06-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
				0
Formation :		PBTD : 0.0	Perf :	
			PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT 90% COMPLETE.

10-09-2006 Reported By TERRY CSERE

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, MUDDY.

10-10-2006 Reported By TERRY CSERE

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-11-2006 Reported By TERRY CSERE

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-12-2006 Reported By TERRY CSERE

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET TO LOCATION, UNDER WATER.

10-13-2006 Reported By TERRY CSERE

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-16-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
			0	Days
			0	MW
			0.0	Visc
			0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-17-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
			0	Days
			0	MW
			0.0	Visc
			0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-18-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
			0	Days
			0	MW
			0.0	Visc
			0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	UNABLE TO GET ONTO LOCATION, UNDER WATER.

10-19-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
			0	Days
			0	MW
			0.0	Visc
			0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING.

10-20-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	0	TVD	0	Progress
			0	Days
			0	MW
			0.0	Visc
			0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING - 60%.

10-23-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0		Perf :
Activity at Report Time:	BUILD LOCATION		
Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING, 65%.

10-24-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0		Perf :
Activity at Report Time:	BUILD LOCATION		
Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING - 85%.

10-25-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0		Perf :
Activity at Report Time:	BUILD LOCATION		
Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING, 90%.

10-26-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0		Perf :
Activity at Report Time:	BUILD LOCATION		
Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING, 90% (UNDER WATER).

10-27-2006 Reported By TERRY CSERE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
Formation :	PBTD : 0.0		Perf :
Activity at Report Time:	BUILD LOCATION		
Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING, 90% (UNDER WATER).

10-30-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING PIT.

10-31-2006 Reported By TERRY CSERE

DailyCosts: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	0	TVD	0
Progress	0	Days	0
MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING.

11-01-2006 Reported By TERRY CSERE / JERRY BARNES

DailyCosts: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	40	TVD	40
Progress	0	Days	0
MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION / WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 10/27/2006 @ 1:30 PM, SET 40' OF 14" CONDUCTOR, CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 10/27/2006 @ 12:00 PM.

11-07-2006 Reported By JOHN HELCO

DailyCosts: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD	2,419	TVD	2,419
Progress	0	Days	0
MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 11/1/2006. DRILLED 12-1/4" HOLE TO 2400' GL. ENCOUNTERED NO WATER. RAN 56 JTS (2370.0') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2389' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 160 BBLs FRESH WATER & 40 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (150 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/SX GR-3, 3% SALT & 1/4 #/SX FLOCELE. MIXED LEAD CEMENT @ 11 PPG W/YIELD OF 3.82 CFS. TAILED IN W/200 SACKS (41 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/179.7 BBLs FRESH WATER. BUMPED PLUG W/1000# @ 8:00 PM, 11/3/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 35 BBLs OF LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB #1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/4% CaCl₂ & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. HOLE FILLED AND CIRCULATED 10 BBLS LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 1 HR.

TOP JOB #2: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/4% CaCl₂ & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2220' PICK UP TO 2205'. SURVEY, 2 DEGREE.

JOHN HELCO NOTIFIED JAMIE SPARGER W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 11/3/2006 @ 5:45 AM. BLM INSPECTOR, ALAN WALKER, WAS ON LOCATION TO WATCH CASING RUN & CEMENT JOB.

01-13-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion		\$0		Daily Total			
Cum Costs: Drilling				Completion		\$0		Well Total			
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: CONTINUE TO MIRU RIG											
Start	End	Hrs	Activity Description								
06:00	18:00	12.0	MOVE RIG AND EQUIPMENT TO LOCATION. SPOT EQUIPMENT. MOVE CAMP AND RU CAMP. WEATHER IS VERY COLD (15-20 DEG F WITH GUSTY WINDS AND HEAVY SNOW). MI GRADER TO SCRAPE ROAD. RU TRUCKS ARE UNABLE TO NEGOTIATE HILL AND HAIRPIN IN HEAVY SNOW. ROAD GRADED AND TRUCKS ARE ABLE TO MOVE SAFELY. PIONEER MAKING SOME REPAIRS/ADJUSTMENTS TO RIG.								
LOCATION SIZE IS ±200' X 330'											
RESERVE PIT IS 60' X 135'											
THERE IS A WING ON THE WEST SIDE OF LOCATION THAT IS APPROXIMATELY 56' X 30'											
18:00	06:00	12.0	SD FOR NIGHT. SNOW CONTINUING WITH SEVERE COLD/WIND.								
FUEL ON HAND 3250 GALS, USED 314 GALS											
BOILER SHUT DOWN AND DRAINED FOR MOVE											
MOVED FROM OSCU II 124-27 TO OSCU II 116-27											
MOVE WAS JUST OVER 1/2 MILE											
ESTIMATED NU IS SUNDAY NIGHT											
±50% MI, WILL MOVE SUBSTRUCTURE, BOILER, POWER PLANT AND UNIT/CARRIER TOMORROW											
1 INCIDENT REPORTED DURING DAY: FLOOR HAND BRUISED LEFT CALF WHEN STRUCK BY RAIL											

01-14-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion		\$0		Daily Total			
Cum Costs: Drilling				Completion		\$0		Well Total			
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RU AND REPAIRING RIG

Start	End	Hrs	Activity Description
06:00	18:00	12.0	CONTINUED TO MOVE IN RIG AND EQUIPMENT. MOVED IN GENERATOR SHED, SUBSTRUCTURE AND CARRIER WITH MISC. SUB-BASE PARTS. ALL OF RIG AND EQUIPMENT MOVED TO LOCATION. FINAL LOADS OF EQUIPMENT ARRIVED ON NEW LOCATION AT 1500 HRS. SUBSTRUCTURE AND ALL COMPONENTS SITTING ON GROUND WERE FROZEN TO GROUND. HYDRAULIC JACK SUPPORTING RIG CARRIER AHEAD OF LEFT SIDE WHEELS WAS FROZEN/LOCKED. UNABLE TO LOWER RIG TO REMOVE FROM BASE. AIR LINES WERE ALSO FROZEN. CLEARED LINES AND RAISED REAR OF RIG TO REMOVE FROM BASE. PIONEER HAS NEW JACK IN YARD AND WILL REPAIR TOMORROW. THREE WELDERS SCHEDULED TO BE ON LOCATION TOMORROW FOR REPAIR WORK. VERY COLD TODAY (-11 THIS MORNING, 6-8 DEGREES DURING DAY), SUNNY AND LITTLE WIND. APPROXIMATELY 50% OF EQUIPMENT IS SPOTTED. GRADER CLEANED LOCATION AND GRADED ROAD PRIOR TO MOVING IN SUBSTRUCTURE AND DERRICK. CUT TRENCHES FOR SUBSTRUCTURE, ETC.
18:00	06:00	12.0	SHUT DOWN FOR NIGHT. CREWS WILL RETURN IN MORNING. THREE WELDERS TO BE AVAILABLE FOR TOMORROW TO ACCOMPLISH REPAIR WORK.

NO ACCIDENTS REPORTED TODAY

FULL CREWS

SAFETY MEETING WITH TRUCKING CONTRACTOR AND RIG CREWS: HAZARDS OF FROZEN EQUIPMENT/ICE AND VERY COLD CONDITIONS

ESTIMATED DAYWORK DATE IS MONDAY, 1/15/07 (EVENING HOURS)

FUEL ON HAND 3000 GALS, USE LAST 24 HOURS 250 GALS

01-15-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total	\$							
Cum Costs: Drilling	Completion	\$0	Well Total								
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RU AND REPAIR DEFECTS WHILE RU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	HELD SAFETY/PLANNING MEETING WITH RIG CREWS AND TRUCKING CONTRACTOR. FINISH SPOTTING EQUIPMENT. WORK ON RIG TO THAW HYDRAULIC AND AIR LINES. UNABLE TO START RIG ENGINE. SPOT CARRIER, MUD PUMPS, KOOMEY SHED. CONTINUE TRENCHING AROUND SUBSTRUCTURE AND ADJACENT EQUIPMENT. RELEASE ALL TRUCKS BUT ONE AT 1230 HRS. RELEASE FINAL TRUCK AT 1430 HRS. TWO WELDERS SHOWED UP WORKING ON RELOCATING STEAM HEATERS IN PUMP HOUSES. POWER PLANT WORKING PROVIDING POWER TO DOGHOUSE, CHANGE HOUSE AND CAMP. MECHANIC WORKING ON RIG ENGINE. INSTALLED 2 ELECTRIC HEATERS TO TRY AND WARM ENGINE. REPLACED BATTERIES. WILL REPLACE STARTER TOMORROW. FILL AND FIRE BOILER. REFILLED WATER AT MAN CAMP. FOUND LEAK DOWNSTREAM OF PUMP IN FROZEN/SPLIT LINE. GAS BUSTER LINES PLUGGED WITH FROZEN FLUID. RU BOILER LINES AND ELECTRICAL. THAWED GAS BUSTER AND BUSTER INLET LINES. THAWED AND RU WATER LINES.

NO ACCIDENTS

SAFETY MEETING: RU SAFETY AND PROCEDURES/RU STEAM LINES AND SUITCASES

BOILER 8 HOURS

FUEL DELIVERED 1631 GALS TO RIG, 878 GALS TO MAN CAMP

FUEL USED 246 GALS, ON HAND 4435 GALS

FULL CREWS BOTH TOURS

ESTIMATED RU ON TUESDAY, 1/16/07, LATE AFTERNOON/EVENING

01-16-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total	\$							
Cum Costs: Drilling	Completion	\$0	Well Total								
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	<p>CONTINUE WITH RU AND REPAIR OF EQUIPMENT. RIG ENGINES RUNNING. REPLACE TORQUE GUAGE ON FLOOR. WELDERS WORKING ON REVISION OF STEAM LINES, ETC. RELOCATED HEATERS UNDER SUBSTRUCTURE. LOWERED HEATERS IN PUMP SHEDS. RAISED DERRICK BUT DID NOT SCOPE IT UP DUE TO DARKNESS. FORK LIFT WAS DOWN. WORKED ON FORK LIFT FOR 4 HOURS BEFORE IT WAS RUNNING. WATER TRUCK DRIVER OVER FLOWED UPRIGHT 400 BBL TANK. DALBO TO PROVIDE CREW/EQUIPMENT TO SCRAPE ICE AND REMOVE FROM LOCATION. SECOND SPILL IN TWO NIGHTS. DALBO MANAGER AGREED TO COMPLETELY BRIEF DRIVERS ON THEIR RESPONSIBILITIES AND DUTIES PRIOR TO DISPATCHING TO LOCATION. WATER IS FREEZING ALMOST IMMEDIATELY WITH THE VERY LOW TEMPS. STRUNG INTERCOMS. MUD LOGGER RU EQUIPMENT AND PREPARED TO WORK. MUD SUPPLIES DELIVERED. INSPECTED KELLY, SWIVEL, SAVER SUBS AND KELLY VALVES. BHA HAD BEEN INSPECTED AT END OF PREVIOUS WELL. RU FLOOR.</p> <p>CONDUCTED TWO SAFETY MEETINGS TODAY: WELDING WORK IN PROGRESS/COLD WEATHER SAFETY BOILER 20 HOURS</p> <p>NO ACCIDENTS REPORTED TODAY</p> <p>FUEL ON HAND 3960 GALS, USED PAST 24 HOURS 475 GALS</p> <p>ESTIMATED NU ON TUESDAY EVENING</p> <p>FULL CREWS ON BOTH TOURS (SEVERAL HANDS GOING ON DAYS OFF WORKED OVER TO HELP WITH CLEANUP/REPAIRS AND RU</p> <p>NOTIFIED MATT BAKER & MICHAEL LEE (LEFT MESSAGE) W/BLM AT 11:20 HRS, 1/15/07 OF BOP TEST, SPUD NOTICE AND FIT.</p> <p>NOTIFIED CAROL DANIELS W/UTAH DIV OF OIL AND GAS CONSERVATION AT 11:15 HRS, 1/15/07 OF BOP TEST, SPUD NOTICE AND FIT.</p> <p>OFFICES ARE CLOSED DUE TO HOLIDAY.</p>

01-17-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total								
Cum Costs: Drilling	Completion	\$0	Well Total								
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: RU FLOOR-CHIP ICE FROM ROTARY

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 BOILER DOWN. FUEL PROBLEM. STEAM LINE FROZEN. REPAIR FUEL LINE/FILTERS. THAW LINES. WORK ON DRAWWORKS MOTORS. REPLACE GROUNDS AND START MOTORS. LEVEL CARRIER BASE. RAISE DERRICK. WELDERS ON LOCATION. MOVE STEAM HEATERS. CONDUCTED MISC WELDING REPAIRS TO STAIRS, DOORS, LATCHES, ETC. INSTALL COLD ROLL AROUND SUB FOR CURTAINS. RU STEAM HEATERS IN PUMP HOUSES AND LOWER THEM TO FLOOR LEVEL. HOOK UP WATER LINES. THAW STEAM FROZEN STEAM LINES. MISC WELDING ON HOPPER DOOR, CHEMICAL BARREL LID, ETC. CHANGE OUT PULSATION DAMPENER ON PUMP #2. WILL FINISH IN MORNING. 30 MIN SAFETY MEETING ON WELDING SAFETY. FILLED SECOND 400 BBL UPRIGHT TANK. DALBO LAID GRAVEL/SAND MIX ON LAST NIGHTS SPILL. HAVING PROBLEMS WITH BOILER FUEL SUPPLY. FUEL FILTER CASES RUPTURED. BYPASS FILTERS TO KEEP EQUIPMENT RUNNING. WORKING ON FILTERS. WAITING ON ELECTRICIAN TO FINISH INSTALLATION OF STEAM HEATERS. RIG IS COMPLETELY FROZEN. AIR LINES ARE FROZEN. NU POT TO INJECT METHANOL INTO AIR LINES. RU DERRICK LIGHTS. THAW OUT CLUTCH. RU MUD LINES. RU FLOW LINE. RU WORK ON WEIGHT INDICATOR AND DRIVE LINE. ESTIMATED NU ON WEDNESDAY EVENING/THURSDAY AM.

SAFETY MEETING: WELDING SAFETY AROUND THE RIG

NO ACCIDENTS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS, CREW GOING ON DAYS OFF WORKED OVER

FUEL ON HAND 3960 GALS, FUEL USED 792 GALS

01-18-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	:	Completion	\$0	Daily Total	:
Cum Costs: Drilling	:	Completion	\$0	Well Total	:
MD	2,419	TVD	2,419	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: INSTALL PLUNGERS/LINERS ON PUMPS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORK ON FROZEN DRUM CLUTCH. FREED CLUTCH. BRAKE AND BLOCK NOW WORKING. BOILER WORKING VERY WELL. BOTH WINCH LINES ARE DOWN DUE TO HYDRAULIC PROBLEMS. SERVICEMAN ON LOCATION AND TROUBLESHOOTING. SERVICEMAN WENT TO TOWN TO GET NECESSARY PARTS. PIONEER ORDERED TWO COMPLETELY NEW CONTROL BLOCK ASSEMBLIES. 4" VALVE ON WATER TANK FROZEN AND CRACKED. LEAKING WATER FROM DAY TANK. PULL WATER WITH VAC TRUCK AND PUT ONE LOAD IN RESERVE PIT. PULLED SECOND LOAD AND KEPT ON TRUCK. REPAIRED BROKEN VALVE. RELOADED WATER INTO DAY TANK. ALL RIG ENGINES RUNNING. ORDERED #1 DIESEL FOR RIG. WILL BE DELIVERED IN MORNING. WAITING ON ELECTRICIAN TO REWIRE HEATER FANS. CLEANED ICE FROM RIG FLOOR. INSULATED STEAM LINES AROUND RIG PITS. WORKING ON CLEARING SUBSTRUCTURE OF ICE. RU DERRICK LIGHTS. RU MUD LINES AND FLOW LINES. WORK ON WEIGHT INDICATOR AND DRIVELINE. REROUTE STEAM LINES FROM BOILER. RU PASON HYDRAULIC LINES. RU FANS IN BOTH PUMP HOUSES. PIONEER SAFETY INSPECTOR TOURED RIG. RU WILDCAT. BUILT METHANOL POT TO CARRIER LINES. RU WIND WALL ON SUBSTRUCTURE. INSTALLED HEATERS IN SUB. RUN ELECTRIC LINES FOR DRILLER CONSOLE. RU MUD LINES AND MUD PUMPS. WORKING ON MUD PUMPS TO CHANGE OUT LINERS AT REPORT TIME. PLAN TO INSTALL AIR DRYER TODAY.

CONDUCTED SAFETY MEETING AND DISCUSSED SAFETY ALERT CONCERNING HAND CLEANERS WITH CREWS. REVIEWED JOB DETAILS AND WORKPLAN FOR THE DAY. CONDUCTED SAFETY MEETING ON COLD WEATHER RU. SAFETY MEETING ON WORKING ON PUMPS

NO ACCIDENTS REPORTED THE LAST 24 HOURS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 2534 GALLONS

FUEL USED PAST 24 HOURS 1426 GALLONS

ESTIMATED NU ON FRIDAY, 1/19/2007

01-19-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling Completion \$0 **Daily Total** \$:
Cum Costs: Drilling Completion \$0 **Well Total**
MD 2,419 **TVD** 2,419 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: REPAIR RIG - SD WO PARTS FOR HYDRAULIC SYSTEM & AIR DRYER - CREW CLEANING RIG

Start	End	Hrs	Activity Description
06:00	00:00	18.0	INSTALL CERAMIC PLUNGERS AND LINERS ON BOTH PUMPS. INSPECTED AND CLEANED ALL VALVES AND SEATS ON EACH PUMP. REPAIR WINCH LINE HYDRAULIC SYSTEM. TECHNICIANS WORKING TO INSTALL NEW HYDRAULIC PUMP AND DISTRIBUTION SYSTEM. WAITING ON PARTS. DRUM CLUTCH KEEPS FREEZING. WORK TO KEEP CLUTCH FROM FREEZING. INSTALLED TARPS ON SUBSTRUCTURE, BROUGHT HEATERS INTO STEAM SYSTEM AND STARTED HEATING SUB. WORKED ON AIR DRYER. MORE PARTS NEEDED FOR INSTALLATION. ORDER PARTS. ORDER INSULATION FOR PUMP SUCTION LINES. WORK COMPLETED INSTALLING NEW PULSATION DAMPENER ON PUMP #2. APPROXIMATE TIME BREAKDOWN FOR WORK TO DATE IS 30% RU AND 70% REPAIR/WINTERIZATION. MANY REPAIRS ARE RESULT OF EQUIPMENT FAILURE DUE TO FREEZING/INADEQUATE WINTERIZATION. WORKING WITH CREW TO IMPROVE WORK PRACTICES AND PROCEDURES.
00:00	06:00	6.0	RIG REPAIR. WAITING ON PARTS FOR HYDRAULIC SYSTEM AND AIR DRYER. UNABLE TO RU FLOOR WITHOUT WINCH LINES. CREW WORKING ON CLEANING RIG.

01-20-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling Completion \$0 **Daily Total**
Cum Costs: Drilling Completion \$0 **Well Total**
MD 2,419 **TVD** 2,419 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RU FLOWLINE

Start	End	Hrs	Activity Description
06:00	14:00	8.0	CONTINUE TO WORK ON RIG CLEANUP. WAIT ON HYDRAULIC PARTS. PARTS AND SERVICEMAN ARRIVE. INSTALL NEW COMPONENTS. ONE WINCH WORKING. PUMP FOR SECOND WINCH IS BEING BUILT AND WILL ARRIVE IN SALT LAKE IN THE MORNING, SERVICE HANDS TO PICK UP AND BRING IMMEDIATELY TO LOCATION.
14:00	06:00	16.0	CONTINUE WITH RU. RU FLOOR AS COMPLETELY AS POSSIBLE WITHOUT USE OF TONGS. INSTALL UPPER KELLY VALVE. RU AIR DRIER. RU GAS BUSTER. WORKING ON FLOW LINE AT REPORT TIME. HYDRAULIC PUMP INSTALLED EARLIER IS NOT WORKING, WINCH ONLY WORKING, UNABLE TO USE TONGS. NOTIFY SERVICEMEN. WAITING TO REPAIR IN MORNING.

SAFETY MEETING: WORK SAFETY/USE OF PPE
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 5702 GALS, USED PAST 24 HOURS 634 GALS

ESTIMATED NU THIS EVENING OR FIRST THING IN MORNING. WAITING TO REPAIR HYDRAULIC SYSTEM AND VERIFY FUNCTION OF MUD AGITATORS.

01-21-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling Completion \$0 **Daily Total** \$:
Cum Costs: Drilling Completion \$0 **Well Total** \$:
MD 2,419 **TVD** 2,419 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: NU BOPS - INSTALL RAMS AND ANNULAR AT REPORT TIME

Start	End	Hrs	Activity Description
06:00	00:00	18.0	WAITING ON HYDRAULIC MOTOR AND ELECTRICIAN. MOTOR PICKED UP IN SLC AT 10:00 AM AND ON WAY. WAITING ON ELECTRICIAN. DISPATCHED AT 1:30 PM. FINISH RU OF FLOWLINE AND GAS BUSTER. MOVE PIPE RACKS AND TRANSFER BHA TO RACK. OFFLOAD 600 BBLS WATER TO MUD PITS, TOP OFF BOILER AND DAY TANK. MOVE BOP STACK UNDER SUBSTRUCTURE FOR CLEANING AND TO WARM UP PRIOR TO NU. REPAIRED DOOR CURTAIN ON SUBSTRUCTURE TO SEAL MORE EFFECTIVELY. HYDRAULIC PUMP ARRIVED, INSTALLED AND TESTED. BOTH WINCHES AND CATHEADS WORKING PROPERLY. STRING LINE ON WINCH DRUMS. RU PIPE RACKS AND LAY OUT BHA. MUDLOGGER STRINGING SAMPLE AND SENSOR LINES. INSULATE PUMP SUCTION LINES. CULL OUT 8 JOINTS OF BENT HWDP. PIONEER WILL PROVIDE REPLACEMENTS WHILE WEATHERFORD LOCATES ADDITIONAL JOINTS FROM OTHER STORE AREAS (2-3 DAYS). WEATHERFORD TO REPLACE 100% OF RENTAL HWDP WITH INSPECTED HWDP WHEN NEW STRING IS LOCATED (AT RD AND MOVE). ELECTRICIAN WORKING ON AGITATOR MOTORS AND WIRING, REPLACING BAD LIGHTS/Socket AND RUNNING NEW LINES TO NEEDED LOCATIONS. TWO AGITATOR MOTORS ARE BAD AND WILL BE REPLACED. ONE DRIVE ASSEMBLY IS BAD AND WILL NEED TO BE REPLACED. REARRANGING MOTORS TO ALLOW FOR THREE RUNNING AGITATORS IN THE MUD PITS. BREAK CIRCULATION IN PITS THRU GUN LINE. CHANGE OUT SHAKER SCREENS. REPLACE FLARE AND IGNITOR WITH REBUILT UNIT. THAW FROZEN GUN LINE SECTIONS. START RIG ON DAY RATE AT 00:00 HRS, 1/21/07.
00:00	06:00	6.0	INSTALL MUD CROSS. TEST TO 3000 PSIG FOR 15 MIN. INSTALLING RAM/ANNULAR STACK AT REPORT TIME. SAFETY MEETING: NU PROCEDURES NO ACCIDENTS REPORTED THE LAST 24 HOURS BOILER 24 HOURS FULL CREWS ON BOTH TOURS FUEL ON HAND 4989 GALS, USED PAST 24 HOURS 713 GALS

ESTIMATED SPUD SUNDAY 1/21/07

01-22-2007		Reported By		RICH DEMBOWSKI									
Daily Costs: Drilling				Completion		\$0		Daily Total				\$	
Cum Costs: Drilling				Completion		\$0		Well Total					
MD	2,419	TVD	2,419	Progress	0	Days	0	MW	8.34	Visc	1.0		
Formation :				PBTB : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: THAW PUMP SUCTION LINES													
Start	End	Hrs	Activity Description										
06:00	13:30	7.5	NU BOPS. TEST LOWER AND UPPER KELLY VALVES, SAFETY VALVE, INSIDE BOP, INSIDE AND OUTSIDE MANUAL VALVES, HCR VALVE, CHOKE LINE, UPRIGHT GAUGE VALVE, CHECK VALVE, MANIFOLD VALVES, PIPE RAMS, BLIND RAMS AND SUPER CHOKE TO 250 PSIG LOW PRESSURE AND 5000 PSIG HIGH PRESSURE. ALL TESTS WERE FOR 5 MIN/10 MIN HIGH/LOW RESPECTIVELY. ALL EQUIPMENT TESTED OK. TEST ANNULAR TO 250 PSIG LOW PRESSURE AND 2500 PSIG HIGH PRESSURE. TEST DURATION WAS 5 MIN/10 MIN HIGH/LOW RESPECTIVELY. TEST CASING TO 1500 PSIG FOR 30 MIN. RD TESTERS.										
13:30	21:00	7.5	RU PICKUP MACHINE. TALLY BHA. SET WEAR BUSHING. NU ROTATING HEAD. MI REMAINDER OF PIPE TO PIPE RACK. NU FLOWLINE AND TURNBUCKLES.										
21:00	03:30	6.5	RU PICKUP MACHINE AND CREW. TALLY AND PU BHA. RUN, IN ORDER, FROM BOTTOM: HC605Z BIT, .16 MUD MOTOR, ROLLER REAMER, 1 – 6.25" DC, ROLLER REAMER, 5 – 6.25" DC, 15 – 4.5" HWDP, DRILLING JARS, 9 – 4.5" HWDP, 4-1/2", 16.60, G-105, XH DP TO SURFACE. TAG CEMENT AT 2289' KB. RD PU MACHINE AND CREW. INSTALL RUBBER IN ROTATING HEAD. ATTEMPT TO BREAK CIRCULATION. PUMPS WOULD NOT PRIME. MIXED MUD WHILE TIH.										
03:30	06:00	2.5	PUMP SUCTION LINES FROZEN. THAW LINES.										

SAFETY MEETING: PU DRILL PIPE/BHA
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 4197 GALS, USED PAST 24 HOURS 792 GALS
 ESTIMATE SPUD MONDAY, 1/22/07

01-23-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total	\$
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	3,010	TVD	3,010	Progress 621
Days	1	MW	8.4	Visc 30.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: TROUBLE SHOOTING RIG POWER SYSTEM.

Start	End	Hrs	Activity Description
06:00	06:45	0.75	THAWING FROZEN SUCTION LINES. LINES OPEN AND PUMPS PRIMED.
06:45	09:15	2.5	BREAK CIRCULATION. CIRCULATE HOLE AT 6 BPM @ 1200 PSIG. CIRC 3 HOLE VOLUMES TO BLEND MUD FROM TANKS WITH WATER IN HOLE. MUD IS 8.4 PPG WITH 30 VIS. PASON SENSORS NOT WORKING PROPERLY. PASON CONTACTED AND SERVICEMAN DISPATCHED. EQUALIZING LINE BETWEEN TANKS IS FREEZING. WORK ON CORRECTING PROBLEM WHILE CONTINUING TO CIRCULATE AND CONDITION FLUID.
09:15	14:30	5.25	DRILL CEMENT AND FLOAT EQUIPMENT. DRILL WITH 360 - 400 GPM, 1200 - 1500 PSIG. VARY ROTARY AND WEIGHT TO MAKE BIT DRILL. DRILLING BEST WITH APPROX 6,000 # ON BIT AND TABLE ROTARY OF 60 (110-115 RPM TOTAL BIT SPEED WITH .16 MOTOR). DRILL TO 2446' (46' OF NEW HOLE AFTER TALLY ADJUSTED). CIRCULATE HOLE CLEAN. BUILD 20 BBL HIGH VIS PILL. SPOT PILL ON BOTTOM. PU 2 JOINTS AND CLOSE RAMS AND CONDUCT FIT. INTERVAL TESTED TO 500 PSIG WITH 8.5 PPG MUD IN HOLE OR A 12.5 PPGE. BLEED OFF PRESSURE AND PREPARE TO RESUME DRILLING.
14:30	16:00	1.5	RIG POWER WENT DOWN WITH BROKEN FAN BELT. UNABLE TO START STANDBY GENERATOR. HEAT ENGINE AND START BACKUP GENERATOR. DOWN TOTAL OF 1.5 HOURS, INCLUDING RESTART TIME FOR BOILER, ETC. NO ADDITIONAL LINES FROZEN, ETC. BRING BOILER BACK ON LINE.
16:00	18:00	2.0	DRILL FROM 2446' TO 2521'. MW 8.5 PPG, VIS 30. TREAT AND CONDITION MUD ADDING PAC AND SAFE CARB TO SYSTEM.
18:00	19:00	1.0	DRILL FROM 2521' TO 2552'.
19:00	19:30	0.5	SURVEY. 2.8 DEGREES AT 2479'.
19:30	21:00	1.5	DRILL FROM 2552' TO 2630'.
21:00	23:30	2.5	BUILD MUD VOLUME. UNABLE TO KEEP UP WITH MAKEUP WATER DUE TO VALVE AND LINES FREEZING. TAKE ON LOAD OF WATER AND TRANSFER WATER FROM UPRIGHT TANKS.
23:30	00:00	0.5	DRILL FROM 2630' TO 2679'. MUD 8.6/33 VIS IN AND 8.6/32 VIS OUT. DRILLING AT 1250 PSIG WITH 80 SPM ON EACH PUMP, 16,000# WOB, 60 ROTARY.
00:00	06:00	6.0	DRILL FROM 2679' TO 3010'. PU WEIGHT 104,000#: SLACK OFF 95,000#. ROTATING WEIGHT 99,000#. MUD AT 0530: 8.6 PPG WITH 33 VIS IN/8.6 PPG WITH 32 VIS OUT. LOST RIG POWER FOR 5 MINUTES AT 0530. ALL SYSTEMS DOWN. PU OFF BOTTOM.

BACKGROUND GAS AVERAGING 200 UNITS.

MAX GAS 835 UNITS AT 2496'.

LITHOLOGY AT 2889' WAS 50% SANDSTONE, 35% SHALE AND 15% LIMESTONE.

PASON SYSTEM DOWN. PROBLEM ISOLATED TO TOOLPUSHER SERVER.

FMC DELIVERED CASING HEAD AND LANDING TOOL.

CONDUCTED SAFETY MEETING ON MAKING CONNECTIONS AND DRILL FLOOR SAFETY.
 NO ACCIDENTS REPORTED THE LAST 24 HOURS.
 BOILER 24 HOURS.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND - 3326 GALLONS
 FUEL USED PAST 24 HOURS - 871 GALLONS
 TROUBLESHOOTING RIG POWER AND DRILLING AHEAD

06:00

18.0 SPUD 7 7/8" HOLE AT 16:15 HRS, 1/22/07.

01-24-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total	\$							
Cum Costs: Drilling	Completion	\$0	Well Total								
MD	4,388	TVD	4,388	Progress	1,378	Days	2	MW	8.5	Visc	31.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL 3010' - 3059'.
06:30	07:00	0.5	SURVEY AT 2983', 1.6 DEGREES.
07:00	08:30	1.5	DRILL 3059' - 3154'.
08:30	09:00	0.5	SERVICE RIG.
09:00	12:00	3.0	DRILL 3154' - 3383', 8.5+ PPG MW, 32 VIS IN AND 8.6 PPG MW, 31 VIS OUT. BUILD VOLUME.
12:00	15:30	3.5	DRILL 3383' TO 3601', 8.6 PPG MW, 31 VIS IN AND 8.6 PPG MW, 32 VIS OUT. DUMPED SAND AND SHALE TRAPS.
15:30	16:00	0.5	REPAIR FLOW SENSOR FOR PASON SYSTEM. TECH WORKING ON GETTING FULL SYSTEM OPERATIONAL.
16:00	18:00	2.0	DRILL 3601' TO 3721'. CONDUCTED BOP DRILL WHILE MAKING UP KELLY TO NEW JOINT. HAD SAFETY MEETING AND DISCUSSED BOP DRILL PROCEDURES.
18:00	22:00	4.0	DRILL 3721' TO 4009', MW IN 8.6+ PPG WITH 32 VIS, MW OUT 8.6 PPG WITH 32 VIS AT 22:00 HRS. CONDUCTED BOP DRILL. FUNCTIONED TEST PIPE RAMS AND ANNULAR. ADDED 3 SACKS PACR THIS TOUR, 5 SACKS PER HOUR OF SAFE CARB PLUS LIME, TANNATHIN AND CAUSTIC OVER ENTIRE TOUR.
22:00	23:30	1.5	DRILL 4009' TO 4072', MW IN 8.6+ PPG, 33 VIS & MW OUT 8.6 PPG, 33 VIS.
23:30	00:00	0.5	DROP SURVEY AT 3994', 2.1 DEGREES.
00:00	06:00	6.0	DRILL 4072' TO 4388', MW IN 8.6+ PPG, 33 VIS & MW OUT 8.6+, 33 VIS. CHEMICAL ADDED THIS TOUR: 1 SACK GEL, 60 SACKS SAFE CARB, 3 SACKS PAC-R, 12 SACKS TANATHIN, 2 SACK CAUSTIC AND 4 SACKS LIME.

SAFETY MEETING: BOP DRILL PROCEDURES/KICK PROCEDURES
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 2138 GALS, USED PAST 24 HOURS 1208 GALS
 PASON SYSTEM WORKING
 CASING ORDERED

01-25-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	Daily Total	\$
Cum Costs: Drilling	Completion	Well Total	

MD 5,559 TVD 5,559 Progress 1,171 Days 3 MW 8.9 Visc 33.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 4388' TO 4837', MUD WT IN 8.9 PPG, 34 VIS. MUD OUT, 8.8+ PPG, 32 VIS.
12:00	12:45	0.75	SERVICE RIG. CLEAR CLUTCH AIR LINES AND LOAD WITH METHANOL TO PREVENT FREEZING. WORK ON DESANDER.
12:45	16:30	3.75	DRILL 4837' TO 5091', NO TORQUE OR DRAG. MW IN 8.9 PPG, 35 VIS. MW OUT 8.9 PPG, 34 VIS.
16:30	18:15	1.75	RUN SURVEY 1.25 DEGREES AT 5010'. LINE JUMPED SHEAVE WHILE POOH WITH THE SURVEY INSTRUMENT, WRAPPED UP IN BRAKE. LOCK LINE, CUT AND SECURE. POH WITH TOOL. CIRCULATE BU BEFORE GOING BACK TO DRILLING.
18:15	06:00	11.75	DRILL 5091' TO 5559', MW IN 9.0 PPG, 34 VIS. MW OUT 8.9+, 34 VIS. DESANDER AND DESILTER WORKING. MUD CHEMICALS USED THE PAST 24 HOURS WERE: 6 SACKS OF CAUSTIC, 28 SACKS TANNATHIN, 8 SACKS OF LIME AND 4 SACKS OF PAC-R. 100 GALLONS OF CORROSION INHIBITOR USED. SPR TAKEN AT 5464' WITH 9.0 PPG MUD.

SAFETY MEETING: TONGS/PINCH POINTS/MIXING CHEMICALS

NO ACCIDENTS REPORTED THE LAST 24 HOURS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 5068 GALS, FUEL USED PAST 24 HOURS 1570 GALS

FUEL RECEIVED 4500 GALS OF BLENDED #1 AND #2 DIESEL

01-26-2007 Reported By RICH DEMBOWSKI

DailyCosts: Drilling

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 6,435 TVD 6,435 Progress 876 Days 4 MW 9.4 Visc 37.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	17:30	11.5	DRILL FROM 5559' TO 6058'. MUD IN 9.3 PPG, 36 VIS. MUD OUT 9.3 PPG, 35 VIS.
17:30	18:00	0.5	SERVICE RIG. FUNCTION TESTED ANNULAR PREVENTER.
18:00	19:45	1.75	DRILL FROM 6058' TO 6160'. MUD AT 6160' IN 9.3+, 41 VIS, OUT 9.3, 43 VIS.
19:45	20:30	0.75	DROP SURVEY, 2 DEGREES AT 6082' MD.
20:30	22:15	1.75	DRILL FROM 6160' TO 6223'.
22:15	22:45	0.5	REPAIR RIG. PUMP SWAB OUT DURING CONNECTION. REPAIRED.
22:45	23:45	1.0	DRILL FROM 6223' TO 6255'.
23:45	00:15	0.5	RIG REPAIR. COULD NOT ENGAGE DRUM CLUTCH AFTER MAKING CONNECTION. WORKED ON PROBLEM AND RESOLVED, WENT BACK TO DRILLING.
00:15	06:00	5.75	DRILL FROM 6255' TO 6435'. MUD IN 9.3+ PPG, VIS 41. MUD OUT 9.0 PPG, VIS 43. RUNNING EACH PUMP AT 81-85 STROKES, 480-500 GPM AT 6255'. HAVE MAINTAINED THIS PUMP RATE FOR PAST 24 HOURS.

SAFETY MEETING: THAWING WATER LINES

NO ACCIDENTS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 3564 GALS

FUEL USED PAST 24 HOURS 1504 GALS

01-27-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD 6,459 TVD 6,459 Progress 24 Days 5 MW 9.4 Visc 42.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: TIH W/NEW BIT

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 6435' TO 6455'. BIT QUIT DRILLING.
07:00	12:30	5.5	BUILD SLUG. POOH W/BIT. PRODUCTION CASING ARRIVED ON LOCATION. UNLOADED CASING WHILE POOH.
12:30	19:15	6.75	RIG REPAIR. SHUT DOWN WHILE SERVICE TECH COMPLETES RU AND INSTALLATION OF NEW WINCH. NEEDS TO TIE INTO HYDRAULIC SYSTEM. INSIDE CASING WITH DRILL STRING (BIT AT APPROX 2300'). TECHNICIAN HAD VALVES CLOSED AND PRESSURED UP LINES, LINES BURST. WAIT FOR LINES TO BE MADE IN TOWN AND HYDRAULIC FLUID BROUGHT TO LOCATION.
19:15	01:00	5.75	FINISH OUT OF HOLE WITH DRILL PIPE AND BHA. LD BOTH ROLLER REAMERS AND MUD MOTOR. LD BIT.
01:00	06:00	5.0	PU MR2004-B1 WITH 6-12 JETS, 6 DC, 15 HWDP, DRILLING JARS, 9 HWDP AND 4-1/2", G-150 TO 2700'. INSTALLED NEW ROTATING HEAD RUBBER.

SAFETY MEETING: TRIPPING

NO ACCIDENTS

ONE ILLNESS DERRICKMAN FROM DAY TOUR BECAME ILL, CAME TO WORK ILL AND WAS UNABLE TO CONTINUE. ON LIGHT DUTY FOR 5-7 DAYS

BOILER 24 HOURS

FULL CREW ON MORNING TOUR, ONE MAN SHORT ON DAYLIGHTS

FUEL ON HAND 2138 GALS, FUEL USED 1426 GALLONS

01-28-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD 7,030 TVD 7,030 Progress 571 Days 6 MW 9.55 Visc 42.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:15	2.25	FINISH IN HOLE TO 6379' ($\pm 80'$ FILL). NO BRIDGES/SQUAT UNTIL 80' OFF OF BOTTOM. INTERVAL FROM 2400' - 4000' WAS CLEAR WITH NO BRIDGES. FUNCTION TESTED PIPE RAMS AND ANNULAR WHILE RIH.
08:15	09:30	1.25	PUT PUMP ON HOLE AND WASH/REAM TO BOTTOM. CIRCULATE BOTTOMS UP.
09:30	16:15	6.75	DRILL FROM 6459 TO 6715'. MW IN, 9.7 PPG, 48 VIS. MW OUT, 9.6+, 44 VIS.
16:15	17:15	1.0	PU STRING, CONTINUE TO ROTATE AND CIRCULATE AND SERVICE RIG. ATTEMPTED TO GO BACK TO DRILLING. PRESSURE FALLING OFF ON PUMP #2. CHECK FOR WASHOUT IN SURFACE EQUIPMENT. PUMP #2, WASHED OUT SEAT.
17:15	06:00	12.75	DRILL FROM 6715' TO 7030'. MW IN, 9.5 PPG, 40 VIS. MW OUT, 9.4+, 41 VIS.

SAFETY MEETING: STEAM SAFETY/TRIPPING IN HOLE

NO ACCIDENTS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 5306 GALS, FUEL USED 1332 GALS

01-29-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD	7.860	TVD	7.860
Progress	830	Days	7
MW	9.5	Visc	40.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:15	2.25	DRILL FROM 7030' TO 7095'. MUD IN 9.5 PPG, 46 VIS. MUD OUT 9.5 PPG, 46 VIS.
08:15	09:15	1.0	SURVEY. 2.8 DEGREES AT 7049'.
09:15	14:00	4.75	DRILL FROM 7095' TO 7286'. MW IN 9.5 PPG, 35 VIS. MW OUT 9.5 PPG, 40 VIS. BRINGING MW UP .1-.2 PPG. NO DRAG OR SQUAT. WORK TO BRING MW UP TO 9.7 PPG.
14:00	14:45	0.75	SERVICE RIG. LUBRICATE BLOCK. PASON SERVICE TECH ON LOCATION TO CHECK EQUIPMENT WOB, TOTAL MUD, HOOK LOAD AND DEPTH NOT WORKING PROPERLY. FUNCTION TESTED PIPE RAMS.
14:45	22:00	7.25	DRILL FROM 7286' TO 7590'. NO DRAG OR SQUAT. MW IN 9.6+, 42 VIS, MUD OUT 9.6, 44 VIS.
22:00	06:00	8.0	DRILL FROM 7590' TO 7860'. MW IN 9.7 PPG, 43 VIS. MW OUT 9.7 PPG, 44 VIS.

SAFETY MEETING: MIXING MUD/HOUSEKEEPING

NO ACCIDENTS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 3564 GALS, FUEL USED 1742 GALS

SAFETY INSPECTION BY EOG REPRESENTATIVE. SAFETY ISSUES NOTED WITH TOOLPUSHER:

ADDITIONAL GUARDING ON CARRIER BY PRIME MOVER EXHAUST AND DRIVELINE

HOUSEKEEPING ON CARRIER

GUARDING ON NEW WINCH INSTALLATION

NEW EYEWASH STATION TO BE PROVIDED BY EOG, PIONEER TO INSTALL

01-30-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD	8.514	TVD	8.514
Progress	654	Days	8
MW	9.9	Visc	42.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: TRIP FOR NEW BIT

Start	End	Hrs	Activity Description
06:00	09:15	3.25	DRILL 7860' TO 7972'. MUD IN 9.9+, 45 VIS. MUD OUT 9.9+, 46 VIS. START TO DILUTE MUD AND BUILD VOLUME TO DROP WEIGHT TO 9.7 PPG. DESIRED VIS 40-44 SECONDS.
09:15	09:45	0.5	SERVICE RIG. CHECK FILTERS AND WATER SEPARATORS.
09:45	18:00	8.25	DRILL 7972' TO 8305', NO DRAG OR SQUAT, MW IN 9.9+ PPG, 41 VIS. MW OUT 9.9+ PPG, 39 VIS.
18:00	21:45	3.75	DRILL 8305' TO 8476'. BRING UP MW TO 10.0 - 10.1 PPG. HAD 10,000# DRAG ON CONNECTION.
21:45	22:30	0.75	PU AT 8476' AND PUMP SWEEP PRIOR TO MAKING NEXT CONNECTION. CIRCULATE BOTTOMS UP. MUD WEIGHT IN AT 8476' WAS 10.1 PPG, 42 VIS AND MUD WEIGHT OUT WAS 10.0 PPG, 42 VIS. CIRCULATE HOLE CLEAN.
22:30	01:30	3.0	DRILL 8476' TO 8514'. MW 10.2 PPG. BIT QUIT DRILLING. WORK BIT AND ATTEMPT TO GET IT TO DRILL. CIRCULATE BOTTOMS UP. SCREENS CLEAN WITH NO SHALE SHARDS, ETC.

01:30 06:00 4.5 DROP SURVEY. SLUG PIPE AND POH TO CHANGE BIT.

SAFETY MEETING: TRIPPING PIPE/PULLING SLIPS/HOUSEKEEPING

NO ACCIDENTS REPORTED THE LAST 24 HOURS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 1504 GALS, FUEL USED PAST 24 HOURS 2060 GALS, FUEL DUE IN THIS MORNING

01-31-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling

Completion \$0

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 8,708 TVD 8,708 Progress 194 Days 9 MW 10.4 Visc 38.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL

Start	End	Hrs	Activity Description
06:00	09:30	3.5	FINISH OUT OF HOLE WITH DRILL STRING. 25000# DRAG FROM APPROXIMATELY 3700' TO 2400' (SHOE DEPTH). PULL ROTATING HEAD RUBBER AND RACK BHA. LD BIT. RECOVER SURVEY 2.83 DEGREES AT 8475'.
09:30	13:00	3.5	PU NEW BIT, NEW MUD MOTOR AND REMAINDER OF BHA 6 DC, 24 HWDP AND RIH TO CASING SHOE. PU AND INSTALL ROTATING HEAD RUBBER.
13:00	14:00	1.0	SERVICE RIG. REPAIR HYDRAULIC LINE.
14:00	17:30	3.5	SLIP & CUT DRILL LINE.
17:30	18:30	1.0	CONTINUE IN HOLE TO 5040'. NO INDICATIONS OF SWELLING/POPPING SHALE ACROSS INTERVAL OF 2400' - 3700'. DRILL LINE DOUBLE WRAPPED, KINKING LINE. SHUT DOWN.
18:30	21:15	2.75	RU CIRCULATING SUB AND RIG TO CIRCULATE WELL WHILE WORKING ON DRILL LINE. SLIP & CUT APPROXIMATELY 300' DRILL LINE. CHECK LINE SPOOLING ON DRAWWORKS. RD CIRCULATING SUB.
21:15	23:45	2.5	CONTINUE IN HOLE WITH DRILL STRING AND BHA.
23:45	01:00	1.25	CIRCULATE BOTTOMS UP AND WASH TO BOTTOM.
01:00	06:00	5.0	DRILL FROM 8514' TO 8708'. MW IN 10.5 PPG, 40 VIS. MW OUT 10.5 PPG, 39 VIS.

SAFETY MEETING: TRIPPING PIPE

COMPLETE 100% VISUAL INSPECTION OF WIRE ROPE LIFTING SYSTEM

NO ACCIDENTS REPORTED THE LAST 24 HOURS

BOILER 24 HOURS

FULL CREWS ON BOTH TOURS

FUEL ON HAND 4831 GALS, FUEL USED PAST 24 HOURS 1173 GALS

02-01-2007 Reported By RICH DEMBOWSKI / DAVID FOREMAN

Daily Costs: Drilling

Completion \$0

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 9,475 TVD 9,475 Progress 767 Days 10 MW 10.5 Visc 39.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLING 8708' TO 8993', 289', ROP 41.2, WOB 18/20, RPM 40/64, GPM 401.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRILLING 8993' TO 9475', 482', ROP 29.2, WOB 18/20, RPM 40/64, GPM 400.

MUD LOSS 24 HRS 0
 MUD WT 10.8, VIS 45
 ROT WT 195, PU 205, SO 180
 SAFETY MEETING: CUT DRILLING LINE/PINCH POINTS
 ACCIDENTS NONE REPORTED
 CREWS FULL
 DRILLS BOP PIT DRILL 2
 FUEL ON HAND 7635 GALS, USED 1966 GALS, REC 4500 GALS

FORMATION TOP: MIDDLE PRICE RIVER
 LITHOLOGY: SS 50%, SH 50%
 SHOWS @ 9007-9413'
 GAS BG 300U, CONN 740U, MAX 6660U @ 9376'

02-02-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling	Completion	\$0	Daily Total	\$
Cum Costs: Drilling	Completion		Well Total	\$
MD	9.562	TVD	9.562	Progress
			87	Days
			11	MW
			11.0	Visc
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	41.0

Activity at Report Time: TRIP IN @ 5500'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLING 9475' TO 9531', 56', ROP 9.3, WOB 18/20, RPM 45/64, GPM 401.
12:00	12:30	0.5	SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.
12:30	17:00	4.5	DRILLING 9531' TO 9562', 31', ROP 6.2, WOB 20/22, RPM 55/64, GPM 401.
17:00	17:30	0.5	CIRC. PUMP SLUG, DROP TOTCO. BLOW KELLY.
17:30	00:00	6.5	TRIP FOR BIT @ 3204' TO 2703', WOB 10 TO 20K OVER PULL. CONT TRIP OUT NO PROBLEM. BREAK BIT, LAY DOWN MOTOR.
00:00	06:00	6.0	PICK UP MOTOR, MU BIT. TRIP IN HOLE, BREAK CIRC @ SHOE, CONT. TRIP IN HOLE @ 5500'.

MUD LOSS 24 HRS 0
 MUD WT 11.2, VIS 39
 ROT WT 200, PU 210, SO 195
 SAFETY MEETING: TRIP PINCH POINTS/RIG SERVICE
 ACCIDENTS NONE REPORTED
 CREWS FULL
 DRILLS BOP TRIP DRILL 1
 FUEL ON HAND 6652 GALS, USED 983 GALS

FORMATION: MIDDLE PRICE RIVER
 LITHOLOGY: SS 70%, SH 30%
 SHOWS @ 9454 - 9503'
 GAS BG 400U, CONN 939U, MAX 6660U @ 9376'

02-03-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling	Completion	\$0	Daily Total
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Cum Costs: Drilling				Completion				Well Total			
MD	9,755	TVD	9,755	Progress	193	Days	12	MW	11.2	Visc	43.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	TIH. BREAK CIRC @ 6500', CONT TIH TO 9472'.
09:00	11:00	2.0	WASH & REAM FROM 9472' TO 9562', 90' TIGHT SPOT @ 9480'.
11:00	06:00	19.0	DRILLING FROM 9562' TO 9755', 193', ROP 10.1, WOB 18/20, RPM 45/64, GPM 395.

FUNCTION TEST CROWN-O-MATIC

MUD LOSS 24 HRS 0

MUD WT 11.4, VIS 42

ROT WT 205, PU 210, SO 195

SAFETY MEETING: HOUSEKEEPING/CLOSE OUT TAG OUT

ACCIDENT REPORTED 1

CREWS FULL

DRILLS BOP DRIL 1

FUEL ON HAND 5276 GALS, USED 1378 GALS

FORMATION: MIDDLE PRICE RIVER

LITHOLOGY: SS 55%, SH 30%, SLTST 15%

SHOWS @ NONE

TRIP GAS 9117U, GAS BG 4500U, CONN 5900U, MAX 5932U @ 9601'

02-04-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling				Completion				Daily Total			
Cum Costs: Drilling				Completion				Well Total			
MD	9,967	TVD	9,967	Progress	212	Days	13	MW	11.4	Visc	43.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLING 9755' TO 9815', 60', ROP 10, WOB 16/18, RPM 45/64, GPM 395.
12:00	12:30	0.5	SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.
12:30	06:00	17.5	DRILLING 9815' TO 9967', 152', ROP 8.7, WOB 18/22, RPM 45/64, GPM 395.

MUD LOSS 24 HRS 0

MUD WT 11.6, VIS 42

ROT WT 205, PU 210, SO 195

SAFETY MEETING: BOILER SAFETY/PPE

ACCIDENT REPORTED 1

CREWS FULL

DRILLS BOP DRIL 1 DAYS

FUEL ON HAND 2613 GALS, USED 1663 GALS

FORMATION: LOWER PRICE RIVER @ 9799'

LITHOLOGY: SS 60%, SH 30%, SLTST 10%

SHOWS @ NONE

GAS BG 4900U, CONN 5200U, MAX 5936U @ 9847'

02-05-2007 **Reported By** DAVID FOREMAN**Daily Costs: Drilling** **Completion** \$0**Daily Total** 0**Cum Costs: Drilling** **Completion****Well Total****MD** 10,140 **TVD** 10,140 **Progress** 173 **Days** 14 **MW** 11.5 **Visc** 40.0**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0****Activity at Report Time: DRILLING****Start** **End** **Hrs** **Activity Description**

06:00 16:00 10.0 DRILLING 9967' TO 10037', 70', ROP 7, WOB 18/22, RPM 45/64, GPM 395.

16:00 16:30 0.5 SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.

16:30 18:30 2.0 REPAIR DRIVE LINE TO ROTARY CHANGE U-JOINT.

18:30 06:00 11.5 DRILLING 10037' TO 10140', 173', ROP 15, WOB 18/22, RPM 45/64, GPM 400.

MUD LOSS 24 HRS 0

MUD WT 11.7, VIS 42

ROT 210, 215, 205

SAFETY MEETING: RIG REPAIR/HOUSEKEEPING

ACCIDENT NONE REPORTED

CREWS FULL

DRILLS BOP DRIL 2

FUEL ON HAND 1108 GALS, USED 1505 GALS

FORMATION: LOWER PRICE RIVER @ 9799'

LITHOLOGY: SS 50%, SH 40%, SLTST 10%

SHOWS @ 10016 - 10025', FLARE 5'

GAS BG 4900U, CONN 5200U, MAX 5936U @ 9847'

02-06-2007 **Reported By** DAVID FOREMAN**Daily Costs: Drilling** **Completion** \$0**Daily Total****Cum Costs: Drilling** **Completion****Well Total****MD** 10,390 **TVD** 10,390 **Progress** 160 **Days** 15 **MW** 11.6 **Visc** 44.0**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0****Activity at Report Time: CIRC****Start** **End** **Hrs** **Activity Description**

06:00 14:00 8.0 DRILLING 10140' TO 10259', 119', ROP 14.8, WOB 18/22, RPM 50/64, GPM 400.

14:00 14:30 0.5 SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.

14:30 02:30 12.0 DRILLING 10259' TO 10390' TD, 131', ROP 10.9, WOB 18/22, RPM 50/64, GPM 400. REACHED TD AT 02:30 HRS, 2/6/07.

02:30 04:00 1.5 CIRC CLEAN.

04:00 05:30 1.5 SHORT TRIP 15 STDs TO 8500'.

05:30 06:00 0.5 CIRC. CLEAN PREPARE TO LAY DOWN DRILL PIPE.

MUD LOSS 24 HRS 0
MUD WT 11.8+, VIS 42
ROT 215, UP 220, DOWN 210

SAFETY MEETING: PINCH POINTS/HOUSEKEEPING
ACCIDENT NONE REPORTED
CREWS FULL
DRILLS BOP DRIL 0
FUEL ON HAND 3168 GALS, USED 1326 GALS, REC 4500 GALS

LITHOLOGY: SS 45%, SH 45%, SLTST 10%
GAS BG 4900U, CONN 5200U

02-07-2007 **Reported By** DAVID FOREMAN

DailyCosts: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion		Well Total	

MD 10,390 **TVD** 10,390 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RUN CSG

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRC. RIG UP LAY DOWN MACHINE. FUNCTION TEST CROWN-O-MATIC.
08:30	09:00	0.5	CIRC. HELD PRE-JOB SAFETY MEETING W/ALL PERSONNEL.
09:00	17:00	8.0	PUMP SLUG. BLOW DOWN KELLY. LAY DOWN DRILL PIPE TO 3960', 203 JTS.
17:00	18:30	1.5	TRIP OUT 26 STDS FROM 3960'. WORK THOURGH TIGHT SPOTS @ 3897' TO 3486', 10 TO 15 OVER PULL, FROM 3138' TO 2821', 25 TO 45 OVER PULL. WORK ALL TIGHT SPOTS FREE. CONT PULL TO SHOE.
18:30	19:30	1.0	CONT LD DRILL PIPE & 12 JTS HEVI-WATE DRILL PIPE.
19:30	20:30	1.0	TRIP IN HOLE 26 STDS.
20:30	23:30	3.0	LAY DOWN DRILL PIPE & BHA REMOVE WEAR BUSHING.
23:30	01:30	2.0	RIG UP FRANKS WEST STATES. JSA SAFETY MEETING W/ALL PERSONNEL.
01:30	06:00	4.5	RUN 4 1/2" 11.6#, LTC, HC P-110 CSG PRODUCTION STRING. TOTAL RAN @ 0600 HRS 152 JTS + TWO MARKER JTS.

NOTIFIED MICHAEL LEE W/BLM IN VERNAL ON 2/5/07 @ 16:30 HRS OF RUNNING PRODUCTION STRING & CEMENTING.

SAFETY MEETING: WORKING W/LAY DOWN MACHINE/RUNNING CSG/PPE
ACCIDENT NONE REPORTED
CREWS FULL
DRILLS BOP DRILL 0
FUEL ON HAND 2059 GALS, USED 1109 GALS

02-08-2007 **Reported By** FOREMAN / DEMBOWSKI

DailyCosts: Drilling		Completion		Daily Total	
Cum Costs: Drilling		Completion		Well Total	5

MD 10,390 TVD 10,390 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	10:30	4.5	CONT RUN 4 1/2", 11.6# HC P-110, LTC CASING. LANDED AT 10383.65' KB. RAN AS FOLLOWS: 4-1/2" FLOAT SHOE, 1 JT CASING, FLOAT COLLAR AT 10338', 52 JTS CASING, MARKER JT AT 8118', 95 JTS CASING, MARKER JT AT 4078', 96 JTS CASING, HANGER AND LJ. RAN CENTRALIZERS 5' ABOVE SHOE, AT TOP OF SECOND JOINT AND ON EVERY OTHER JOINT 150 (±4140') FOR A TOTAL OF 75 CENTRALIZERS. TAGGED AT 10390'. LD TAG JOINT AND PU HANGER JOINT. RU CEMENTING HEAD. SPACE OUT TO CIRCULATE HOLE.
10:30	13:00	2.5	RD FRANK CASING CREW AND LD MACHINE. RU SCHLUMBERGER CEMENT HEAD AND CIRCULATE HOLE. HOLD JOB PLANNING AND SAFETY MEETING WITH CREW AND CEMENTERS. CIRC HOLE 2 HOLE VOLUMES UNTIL GAS DECREASED TO LESS THAN 2000 UNITS.
13:00	16:00	3.0	RU CEMENTING LINES TO HEAD. TEST LINES TO 5000 PSIG. MIX AND PUMP WASH, SPACER AND CEMENT AS FOLLOWS: PUMP 20 BBLs CW100 CHEMICAL WASH AT 8.34 PPG; 20 BBL FRESH WATER SPACER, 129 BBL (415 SACKS) LEAD SLURRY OF 35:65 POZ G AT 13.0 PPG WITH 4% EXTENDER, 2% EXPANDER, .25% LCM, .20% ANTIFOAM, .75% FLUID LOSS AGENT AND .25% RETARDER. 435 BBL (1895 SACKS) TAIL SLURRY OF 50:50 POZ G AT 14.10 PPG WITH 2% EXTENDER, .20% DISPERSANT, .20% FLUID LOSS ADDITIVE .10% ANTIFOAM AGENT AND .10% RETARDER. DISPLACE WITH 163 BBLs FRESH WATER. FINAL DISPLACEMENT PRESSURE WAS 3276 PSIG. BUMPED PLUG WITH 660 PSIG OVER FINAL DISPL PRESSURE. BLEED BACK 1 BBL. FLOAT HOLDING. RD CEMENTERS.
16:00	20:00	4.0	ATTEMPT TO LAND CASING. HANGER NOT COMPLETELY ENTERING HEAD. WORK CASING UP 2' AND BACK DOWN. HANGER WILL NOT COMPLETELY ENTER HEAD. SPACE OUT HANGER TO PLACE HANGER ABOVE BOWL AND COLLAR BELOW BOWL TO ALLOW SETTING SLIPS AND CUTOFF. ND BOP STACK AND PU BOPS. PU ON CASING AND RELEASE FLOOR SLIPS AND SET CASING SLIPS WITH 150,000 OVER STRING WEIGHT. SLACK OFF. SLIPS HOLDING. CUTOFF 2.58' (DISTANCE FROM TOP OF HANGER TO CUT). CASING LANDED AT 10,383.65'. FINISH ND BOPS. BOPS ON RACK AT 2000 HRS. MUD PITS CLEANED. RELEASED RIG.
20:00	06:00	10.0	SET PACKOFF AND DRY HOLE CAP. RD RIG AND PREPARING FOR MOVE. DRAIN ALL FLUIDS FROM BOILER SYSTEM. SHUT DOWN BOILER. RD FLOOR, CHOKE HOUSE AND GAS BUSTER. PULL POWER LINES.
SAFETY MEETING: RUNNING CASING/ND BOPS			
NO ACCIDENTS REPORTED THE LAST 24 HOURS			
BOILER 24 HOURS			
FULL CREWS ON BOTH TOURS			
FUEL ON HAND 1108 GALS (TRANSFER TO NEXT WELL)			
FUEL USED PAST 24 HOURS 951 GALS			
06:00		18.0	RIG RELEASED 2/7/07 AT 20:00 HOURS.
CASING POINT COST \$1,127,728			

02-15-2007 Reported By SEARLE

Daily Costs: Drilling \$0

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 10,390 TVD 10,390 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : PBTD : 10338.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 70'. CEMENT ABOVE 70'. RD SCHLUMBERGER.

02-19-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	Daily Total	\$.
Cum Costs: Drilling		Completion	Well Total	
MD	10,390	TVD	10,390	Progress
			0	Days
			19	MW
			0.0	Visc
			0.0	

Formation : PBTD : 10338.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRAC

Start End Hrs Activity Description

10:00 11:00 1.0 NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 8500 PSIG, HELD OK. PREP FOR FRAC.

02-27-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	Daily Total	\$.
Cum Costs: Drilling		Completion	Well Total	
MD	10,390	TVD	10,390	Progress
			0	Days
			20	MW
			0.0	Visc
			0.0	

Formation : MESAVERDE PBTD : 10338.0 Perf : 8895'-10024' PKR Depth : 0.0

Activity at Report Time: FRAC UPR

Start End Hrs Activity Description

06:00 18:30 12.5 MIRU CUTTERS WIRELINE PERFORATE LPR FROM 9818'-19', 9825'-26', 9835'-36', 9846'-47', 9901'-02', 9910'-11', 9918'-19', 9946'-47', 9953'-54', 9963'-64', 9991'-92', 10,023'-24' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5204 GAL YF120ST+ PAD, 55276 GAL YF120ST+ WITH 143000 # 20/40 SAND @ 1-5 PPG. MTP 7528 PSIG. MTR 46 BPM. ATP 5132 PSIG. ATR 43.3 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9780'. PERFORATE LPR/MPR FROM 9519'-20', 9533'-34', 9562'-63', 9580'-81', 9604'-05', 9615'-16', 9635'-36', 9658'-59', 9665'-66', 9694'-95', 9714'-15', 9733'-34', 9755'-56' @ 2 SPF @ 180° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5189 GAL YF120ST+ PAD, 65665 GAL YF120ST+ WITH 179600 # 20/40 SAND @ 1-4 PPG. MTP 8094 PSIG. MTR 46 BPM. ATP 5952 PSIG. ATR 46 BPM. ISIP 3740 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9490'. PERFORATE MPR FROM 9327'-28', 9335'-36', 9343'-44', 9368'-69', 9380'-81', 9387'-88', 9398'-99', 9407'-08', 9462'-64', 9470'-72' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4156 GAL YF120ST+ PAD, 52208 GAL YF120ST+ WITH 141300 # 20/40 SAND @ 1-5 PPG. MTP 7354 PSIG. MTR 46.1 BPM. ATP 5642 PSIG. ATR 46 BPM. ISIP 3240 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9260'. PERFORATE MPR FROM 9093'-94', 9102'-03', 9132'-33', 9140'-41', 9148'-49', 9161'-62', 9173'-74', 9180'-81', 9194'-95', 9202'-03', 9214'-15', 9220'-21' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4150 GAL YF120ST+ PAD, 58010 GAL YF120ST+ & YF116ST+ WITH 162900 # 20/40 SAND @ 1-5 PPG. MTP 7413 PSIG. MTR 46 BPM. ATP 5227 PSIG. ATR 43.4 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9060'. PERFORATE MPR FROM 8895'-96', 8912'-13', 8925'-26', 8964'-65', 8971'-72', 8977'-78', 8988'-89', 8998'-99', 9031'-32', 9043'-45' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3159 GAL YF116ST+ PAD, 53255 GAL YF116ST+ WITH 142200 # 20/40 SAND @ 1-5 PPG. MTP 7195 PSIG. MTR 46BPM. ATP 4974 PSIG. ATR 42.5 BPM. ISIP 3290 PSIG. RD SCHLUMBERGER. SWIFN.

02-28-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	Daily Total	\$.
Cum Costs: Drilling		Completion	Well Total	
MD	10,390	TVD	10,390	Progress
			0	Days
			21	MW
			0.0	Visc
			0.0	

Formation : MESAVERDE PBTD : 10338.0 Perf : 8166'-10024' PKR Depth : 0.0

Activity at Report Time: DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	14:00	8.0	SICP 2759 PSIG. RUWL SET 10K CFP AT 8810'. PERFORATE UPR FROM 8558'-59', 8568'-69', 8578'-79', 8659'-60', 8667'-68', 8682'-83', 8709'-10', 8718'-19', 8724'-25', 8732'-33', 8776'-77', 8782'-83' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4969 GAL YF116ST+ PAD, 56605 GAL YF116ST+ WITH 154400 # 20/40 SAND @ 1-5 PPG. MTP 6734 PSIG. MTR 46 BPM. ATP 5007 PSIG. ATR 44.3 BPM. ISIP 3700 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 8420'. PERFORATE UPR FROM 8166'-67', 8183'-84', 8200'-01', 8292'-93', 8313'-15', 8340'-41', 8371'-72', 8381'-82', 8289'-90', 8397'-98' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4158 GAL YF116ST+ PAD, 61026 GAL YF116ST+ WITH 163000 # 20/40 SAND @ 1-5 PPG. MTP 6862 PSIG. MTR 46 BPM. ATP 5033 PSIG. ATR 46 BPM. ISIP 3512 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CBP AT 8054'. BLEED WELL OFF TO 0 PSIG. SWIFN. RDMO CUTTERS WIRELINE.

03-02-2007	Reported By		HISLOP	
Daily Costs: Drilling	\$0		Completion	Daily Total
Cum Costs: Drilling			Completion	Well Total
MD	10,390	TVD	10,390	Progress 0
			Days 22	MW 0.0
Formation : MESAVERDE		PBTD : 10338.0	Perf : 8166'-10024'	PKR Depth : 0.0
Activity at Report Time: DRILL CFPS				

Start	End	Hrs	Activity Description
06:00	17:00	11.0	MIRU ROYAL WELL SERVICE RIG #2. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3 7/8" MILL TOOTH BIT, POBS, 1 JT 2 3/8", N-80, 8RD, 4.7#, XN, 245 JTS TUBING TO CBP @ 8054'. SWI. SDFD.

03-03-2007	Reported By		HISLOP	
Daily Costs: Drilling	\$0		Completion	Daily Total
Cum Costs: Drilling			Completion	Well Total
MD	10,390	TVD	10,390	Progress 0
			Days 23	MW 0.0
Formation : MESAVERDE		PBTD : 10338.0	Perf : 8166'-10024'	PKR Depth : 0.0
Activity at Report Time: FLOW TESTING				

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT CBP @ 8054'. CFPS @ 8420', 8810', 9060', 9260', 9490', & 9780'. RIH. CLEANED OUT TO 10,135'. LANDED TUBING @ 8156' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 11 HRS. 16/64 CHOKE. FTP-1950 PSIG. CP-2250 PSIG. 53 BFPH. RECOVERED 532 BLW. 9868 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .91'

1 JT 2-3/8" N-80 8RD 4.7# 32.82'

XN NIPPLE 1.30'

247 JTS 2-3/8" N-80 8RD 4.7# 8101.97'

BELOW KB
KB

19.00'

LANDED @ 8156.00'

03-04-2007	Reported By		HISLOP	
Daily Costs: Drilling	\$0		Completion	Daily Total

Cum Costs: Drilling				Completion				Well Total			
MD	10,390	TVD	10,390	Progress	0	Days	24	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10338.0			Perf : 8166'-10024'			PKR Depth : 0.0		
Activity at Report Time: FLOW TESTING											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS.20/64 CHOKE. FTP-1850 PSIG. CP-2700 PSIG. 50 BFPH. RECOVERED 1355 BLW. 8513 BLWTR.								
03-05-2007		Reported By		HISLOP							
Daily Costs: Drilling				Completion				Daily Total			
\$0											
Cum Costs: Drilling				Completion				Well Total			
MD	10,390	TVD	10,390	Progress	0	Days	25	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10338.0			Perf : 8166'-10024'			PKR Depth : 0.0		
Activity at Report Time: FLOW TESTING											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 18/64" CHOKE. FTP 1800 PSIG. CP 3000 PSIG. 38 BFPH. RECOVERED 991 BLW. 8054 BLWTR. 922 MCFD RATE.								

5. Lease Serial No.
U-49518

MAR 23 2007

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	8166	10,024		Wasatch	4496
				Chapita Wells	5079
				Buck Canyon	5861
				North Horn	6727
				Mesaverde	8153
				Middle Price River	8890
				Lower Price River	9729
				Sego	10,130
				Castlegate	10,218

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
 ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date **03/22/2007**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212. make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Old Squaws Crossing Unit II 116-27 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8895-9045	3/spf
8558-8783	3/spf
8166-8398	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8895-9045	56,579 GALS GELLED WATER & 142,200# 20/40 SAND
8558-8783	61,739 GALS GELLED WATER & 154,400# 20/40 SAND
8166-8398	65,349 GALS GELLED WATER & 163,000# 20/40 SAND

Perforated the Lower Price River from 9818-9819', 9825-9826', 9835-9836', 9846-9847', 9901-9902', 9910-9911', 9918-9919', 9946-9947', 9953-9954', 9963-9964', 9991-9992' & 10023-10024' w/ 3 spf.

Perforated the Lower/Middle Price River from 9519-9520', 9533-9534', 9562-9563', 9580-9581', 9604-9605', 9615-9616', 9635-9636', 9658-9659', 9665-9666', 9694-9695', 9714-9715', 9733-9734' & 9755-9756' w/ 2 spf.

Perforated the Middle Price River from 9327-9328', 9335-9336', 9343-9344', 9368-9369', 9380-9381', 9387-9388', 9398-9399', 9407-9408', 9462-9464' & 9470-9472' w/ 3 spf.

Perforated the Middle Price River from 9093-9094', 9102-9103', 9132-9133', 9140-9141', 9148-9149', 9161-9162', 9173-9174', 9180-9181', 9194-9195', 9202-9203', 9214-9215' & 9220-9221' w/ 3 spf.

Perforated the Middle Price River from 8895-8896', 8912-8913', 8925-8926', 8964-8965', 8971-8972', 8977-8978', 8988-8989', 8998-8999', 9031-9032' & 9043-9045' w/ 3 spf.

Perforated the Upper Price River from 8558-8559', 8568-8569', 8578-8579', 8659-8660', 8667-8668', 8682-8683', 8709-8710', 8718-8719', 8724-8725', 8732-8733', 8776-8777' & 8782-8783' w/ 3 spf.

Perforated the Upper Price River from 8166-8167', 8183-8184', 8200-8201', 8292-8293', 8313-8315', 8340-8341', 8371-8372', 8381-8382', 8389-8390' & 8397-8398' w/ 3 spf.

Form 3160-5
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS*****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.******SUBMIT IN TRIPLICATE- Other instructions on reverse side.***1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
EOG Resources, Inc.3a. Address
600 17th Street, Suite 1000N, Denver, CO 802023b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2412' FSL & 744' FEL (NE/SE)
Sec. 27-T10S-R19E 39.917461 LAT 109.761425 LON

5. Lease Serial No.

U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Old Squaws Crossing Unit

8. Well Name and No.

Old Squaws Crossing Unit II 116-27

9. API Well No.

43-047-37680

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch/MV

11. County or Parish, State

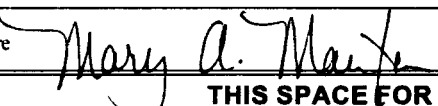
Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 3/4/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature 		Date 07/30/2007
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by _____ Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Title _____ Date _____
		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

AUG 01 2007

BUREAU OF LAND MANAGEMENT

MINING, OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Mesaverde	8166	10,024		Wasatch Chapita Wells Buck Canyon Mesaverde Middle Price River Lower Price River Sego Castlegate	4496 5079 5861 8153 8890 9729 10,130 10,218

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

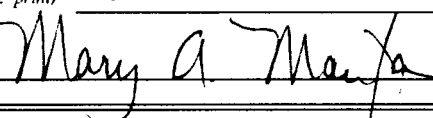
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

Date **07/30/2007**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Old Squaws Crossing Unit II 116-27 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8895-9045	3/spf
8558-8783	3/spf
8166-8398	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8895-9045	56,579 GALS GELLED WATER & 142,200# 20/40 SAND
8558-8783	61,739 GALS GELLED WATER & 154,400# 20/40 SAND
8166-8398	65,349 GALS GELLED WATER & 163,000# 20/40 SAND

Perforated the Lower Price River from 9818-9819', 9825-9826', 9835-9836', 9846-9847', 9901-9902', 9910-9911', 9918-9919', 9946-9947', 9953-9954', 9963-9964', 9991-9992' & 10023-10024' w/ 3 spf.

Perforated the Lower/Middle Price River from 9519-9520', 9533-9534', 9562-9563', 9580-9581', 9604-9605', 9615-9616', 9635-9636', 9658-9659', 9665-9666', 9694-9695', 9714-9715', 9733-9734' & 9755-9756' w/ 2 spf.

Perforated the Middle Price River from 9327-9328', 9335-9336', 9343-9344', 9368-9369', 9380-9381', 9387-9388', 9398-9399', 9407-9408', 9462-9464' & 9470-9472' w/ 3 spf.

Perforated the Middle Price River from 9093-9094', 9102-9103', 9132-9133', 9140-9141', 9148-9149', 9161-9162', 9173-9174', 9180-9181', 9194-9195', 9202-9203', 9214-9215' & 9220-9221' w/ 3 spf.

Perforated the Middle Price River from 8895-8896', 8912-8913', 8925-8926', 8964-8965', 8971-8972', 8977-8978', 8988-8989', 8998-8999', 9031-9032' & 9043-9045' w/ 3 spf.

Perforated the Upper Price River from 8558-8559', 8568-8569', 8578-8579', 8659-8660', 8667-8668', 8682-8683', 8709-8710', 8718-8719', 8724-8725', 8732-8733', 8776-8777' & 8782-8783' w/ 3 spf.

Perforated the Upper Price River from 8166-8167', 8183-8184', 8200-8201', 8292-8293', 8313-8315', 8340-8341', 8371-8372', 8381-8382', 8389-8390' & 8397-8398' w/ 3 spf.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU49518
2. Name of Operator EOG RESOURCES INC		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. OSCU II
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. OSCU II 116-27
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T10S R19E NESE 2412FSL 744FEL 39.91746 N Lat, 109.76143 W Lon		9. API Well No. 43-047-37680
		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization to recompleate the referenced well as per the attached procedure. Production will be commingled in the Wasatch and Mesaverde formations.

COPY SENT TO OPERATOR

Date: 3.20.2008Initials: KSAccepted by the
Utah Division of
Oil, Gas and MiningDate: 3/17/08By: [Signature]Federal Approval Of This
Action Is Necessary

Commingle Request approved 3/21/07

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #59013 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature <u>[Signature]</u> (Electronic Submission)	Date 03/10/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED****MAR 12 2008**

DIV. OF OIL, GAS & MINING

Old Squaws Crossing Unit II 116-27

1. Perforate the North Horn from 7837-7838', 7843-7844', 7867-7868', 7883-7884', 7891-7892', 7955-7956', 7967-7968', 7987-7988', 8055-8056', 8066-8067', 8083-8084' & 8111-8112' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
2. Perforate the North Horn from 7414-7415', 7425-7426', 7432-7433', 7446-7447', 7465-7466', 7519-7520', 7539-7540', 7559-7560', 7587-7588', 7633-7634', 7676-7677' & 7703-7704' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
3. Perforate the North Horn from 6903-6904', 6918-6919', 6957-6958', 7002-7003', 7009-7010', 7042-7043', 7072-7073', 7078-7079', 7122-7123', 7129-7130', 7161-7162', 7169-7170', 7183-7184' & 7201-7202' w/ 2 spf. Fracture stimulate with gelled water and 20/40 sand.
4. Perforate the Bf/North Horn from 6609-6610', 6620-6622', 6628-6629', 6652-6653', 6664-6665', 6680-6681', 6693-6694', 6769-6771', 6787-6788' & 6793-6794' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
5. Perforate the Ba/Bf from 6117-6118', 6125-6126', 6168-6169', 6189-6190', 6214-6215', 6224-6225', 6236-6237', 6267-6268', 6331-6332', 6356-6357', 6407-6408', 6443-6444', 6473-6474' & 6505-6506' w/ 2 spf. Fracture stimulate with gelled water and 20/40 sand.
6. Perforate the Ca from 5676-5677', 5682-5683', 5695-5696', 5701-5702', 5707-5708', 5729-5730', 5760-5761', 5765-5766', 5770-5772' & 5781-5783' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
7. Perforate the Ca from 5436-5437', 5447-5448', 5460-5461', 5465-5467', 5473-5474', 5480-5482', 5487-5488', 5492-5493' & 5505-5507' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
8. Perforate the Ca from 5220-5222', 5231-5232', 5238-5239', 5247-5248', 5262-5263', 5268-5269', 5276-5277', 5282-5283', 5291-5292' & 5310-5311' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.
9. Perforate the Pp from 4986-4996' w/ 3 spf. Fracture stimulate with gelled water and 20/40 sand.

Return well to sales, commingling the Wasatch and Mesaverde formations.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU49518

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
OSCU II

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
OSCU II 116-272. Name of Operator
EOG RESOURCES INCContact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com9. API Well No.
43-047-376803a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 802023b. Phone No. (include area code)
Ph: 303-824-552610. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH/MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 27 T10S R19E NESE 2412FSL 744FEL
39.91746 N Lat, 109.76143 W Lon11. County or Parish, and State
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was recompleted as per the attached.

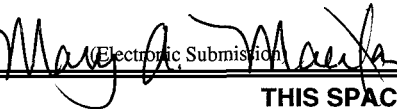
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #60920 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 06/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ******RECEIVED**
JUN 20 2008

DIV. OF OIL, GAS & MINING

Old Squaws Crossing Unit II 116-27

1. Perforated the North Horn from 7837-7838', 7843-7844', 7867-7868', 7883-7884', 7891-7892', 7955-7956', 7967-7968', 7987-7988', 8055-8056', 8066-8067', 8083-8084' & 8111-8112' w/ 3 spf. Fracture stimulated with 59,706 gals gelled water and 182,600# 20/40 sand.
2. Perforated the North Horn from 7414-7415', 7425-7426', 7432-7433', 7446-7447', 7465-7466', 7519-7520', 7539-7540', 7559-7560', 7587-7588', 7633-7634', 7676-7677' & 7703-7704' w/ 3 spf. Fracture stimulated with 36,532 gals gelled water and 88,900# 20/40 sand.
3. Perforated the North Horn from 6903-6904', 6918-6919', 6957-6958', 7002-7003', 7009-7010', 7042-7043', 7072-7073', 7078-7079', 7122-7123', 7129-7130', 7161-7162', 7169-7170', 7183-7184' & 7201-7202' w/ 2 spf. Fracture stimulated with 53,755 gals gelled water and 160,000# 20/40 sand.
4. Perforated the Bf/North Horn from 6609-6610', 6620-6622', 6628-6629', 6652-6653', 6664-6665', 6680-6681', 6693-6694', 6769-6771', 6787-6788' & 6793-6794' w/ 3 spf. Fracture stimulated with 38,678 gals gelled water and 103,700# 20/40 sand.
5. Perforated the Ba/Bf from 6117-6118', 6125-6126', 6168-6169', 6189-6190', 6214-6215', 6224-6225', 6236-6237', 6267-6268', 6331-6332', 6356-6357', 6407-6408', 6443-6444', 6473-6474' & 6505-6506' w/ 2 spf. Fracture stimulated with 29,025 gals gelled water and 44,100# 20/40 sand.
6. Perforated the Ca from 5676-5677', 5682-5683', 5695-5696', 5701-5702', 5707-5708', 5729-5730', 5760-5761', 5765-5766', 5770-5772' & 5781-5783' w/ 3 spf. Fracture stimulated with 37,432 gals gelled water and 102,400# 20/40 sand.
7. Perforate the Ca from 5436-5437', 5447-5448', 5460-5461', 5465-5467', 5473-5474', 5480-5482', 5487-5488', 5492-5493' & 5505-5507' w/ 3 spf. Fracture stimulated with 35,270 gals gelled water and 93,700# 20/40 sand.
8. Perforated the Ca from 5220-5222', 5231-5232', 5238-5239', 5247-5248', 5262-5263', 5268-5269', 5276-5277', 5282-5283', 5291-5292' & 5310-5311' w/ 3 spf. Fracture stimulated with 32,087 gals gelled water and 90,600# 20/40 sand.
9. Perforated the Pp from 4986-4996' w/ 3 spf. Fracture stimulated with 18,238 gals gelled water 48,400# and 20/40 sand.

Returned well to sales on 6/16/2008, commingling the Wasatch and Mesaverde formations.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

10/1/2011

FROM: (Old Operator):
 N9550-EOG Resources, Inc.
 1060 E Highway 40
 Vernal, UT 84078
 Phone: 1 (435) 781-9145

TO: (New Operator):
 N3755-Koch Exploration Company, LLC.
 9777 Pyramid Court, Suite 210
 Englewood, CO 80112
 Phone: 1 (303) 325-2561

CA No.

Unit:

NORTH ALGER

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 10 WELLS								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/9/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/9/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 6/29/2011
- Is the new operator registered in the State of Utah: Business Number: 5078823-0161
- (R649-9-2) Waste Management Plan has been received on: Requested 12/19/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 11/2/2011 BIA
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: 10/24/2011
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: not yet
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database on:** 12/19/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 12/19/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: COB000296
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS: Five undrilled APDs are not being transferred at this time and may be rescinded in the future.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc

N9550

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)
435-781-9145

7. If Unit of CA/Agreement, Name and/or No.
Natural Buttes

8. Well Name and No.
Multiple Wells

9. API Well No.
See Attached

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Attached

11. Country or Parish, State
Utah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list (the "Subject Wells") to Koch Exploration Company, LLC and will relinquish and transfer operatorship of all of the Subject Wells to Koch Exploration Company, LLC on October 1, 2011.

As of October 1, 2011, Koch Exploration Company, LLC will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Koch Exploration Company, LLC's Nationwide BLM Bond No. COB000296.

KOCH EXPLORATION COMPANY, LLC

N3755

By: Brian J. Kissick Date: September 1, 2011

Brian J. Kissick
Vice President

Address: 9777 Pyramid Court, Suite 210
Englewood, Colorado 80112

Telephone Number: (303) 325-2561

RECEIVED

NOV 03 2011

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature

Date 09/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED 12/19/2011

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Change of Operator from EOG Resources, Inc (N9555)
to Koch Exploration Company, LLC (N3755)
NORTH ALGER UNIT

OSC II 1-27	27	100S	190E	4304731722	10687	Federal	GW	P	NORTH ALGER
OSC 2-27	27	100S	190E	4304731898	10687	Federal	GW	P	NORTH ALGER
OSCU II 108-27	27	100S	190E	4304733463	10687	Federal	GW	P	NORTH ALGER
OS CROSSING U II 109-27	27	100S	190E	4304736269	10687	Federal	GW	P	NORTH ALGER
OSCU II 123-27	27	100S	190E	4304736743	10687	Federal	GW	P	NORTH ALGER
OSCU II 122-27	27	100S	190E	4304737678	10687	Federal	GW	P	NORTH ALGER
OSCU II 124-27	27	100S	190E	4304737679	10687	Federal	GW	P	NORTH ALGER
OSCU II 116-27	27	100S	190E	4304737680	10687	Federal	GW	P	NORTH ALGER
OSCU II 126-34	34	100S	190E	4304738901	10687	Federal	GW	P	NORTH ALGER
OSCU II 125-34	34	100S	190E	4304738902	10687	Federal	GW	P	NORTH ALGER



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3180 (UTU63094X)
UT-922

OCT 24 2011

Morgan J. Connor
Koch Exploration Company, LLC
9777 Pyramid Court, Suite 210
Englewood, CO 80112

Re: Successor Operator
North Alger Unit
Agreement No. UT080P49-86U697
AFS No. 83686U697X
Uintah County, Utah

Dear Mr. Connor:

On September 30, 2011, we received an indenture dated September 1, 2011, whereby EOG Resources, Inc. resigned as Unit Operator and Koch Exploration Company, LLC was designated as Successor Unit Operator for the North Alger Unit, Uintah County, Utah. The indenture was executed by both parties and the signatory parties (working interest owners) have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved effective October 24, 2011. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the North Alger Unit Agreement.

Your nationwide oil and gas bond, No. 82203357 (BLM Bond No. COB000296) will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR - Leona Reilly
BLM FOM - Vernal

RECEIVED

NOV 07 2011

DIV. OF OIL, GAS & MINING